

# Decision Making in the European Union: Connecting Preferences with Behaviour

Vibeke Wøien Hansen  
PhD Thesis  
Department of Political Science  
Faculty of Social Sciences  
University of Oslo  
2013

© Vibeke Wøien Hansen, 2014

*Series of dissertations submitted to the  
Faculty of Social Sciences, University of Oslo  
No. 451*

ISSN 1504-3991

All rights reserved. No part of this publication may be  
reproduced or transmitted, in any form or by any means, without permission.

Cover: Inger Sandved Anfinssen.  
Printed in Norway: AIT Oslo AS.

Produced in co-operation with Akademika publishing, Oslo.  
The thesis is produced by Akademika publishing merely in connection with the  
thesis defence. Kindly direct all inquiries regarding the thesis to the copyright  
holder or the unit which grants the doctorate.



# Acknowledgements

First and foremost I would like to thank my supervisor, Bjørn Høyland, for his encouragement and support throughout my time as a master student and PhD student at the Department of Political Science, University of Oslo. I have learnt tremendously much from working with him and he has always contributed with constructive and useful advice. I am really grateful to him and without his encouragement and knowledge I am fairly certain that I would never had started this project.

I am also grateful to the Department of Political Science and the Research Programme on Democracy for giving me the opportunity to pursue a PhD degree. I would like to thank the former chair of the Research Programme on Democracy, Bjørn Erik Rasch, and the current chair, Harald Baldersheim, for including me in the workshops and conferences hosted by the Programme. I have learnt a lot from presenting my papers in these forums and I am indebted to the workshop and conference participants for their useful comments.

I would also like to thank all the great people who have contributed positively to my work throughout the last four years. For providing me with constructive feedback on the research design and/or the introduction to this thesis, I wish to thank Tom Christensen, Brenda Van Copenolle, Tore Hansen, Kristian Helland-Hansen, Simon Hix, Robert Huseby, Rune Karlsen, and Mona Morgan-Collins. For sage advice on my paper presentations at departmental seminars, I am especially thankful towards Elin Allern, Øivind Bratberg, Håvard Hegre, Knut Heidar, Silje Synnøve Lyder Hermansen, Andreas Hvidsten, Mathias Johannessen, Rune Karlsen, Carl Henrik Knutsen, Tommy Knutsen, Håvard Mogleiv Nygård, Anders Ravik Jupskås, Tatjana Stankovic, Håvard Strand, Tore Wig, and Inga Ydersbond. For helpful comments on papers presented at international and national conferences, I would like to thank in particular Michael Alvarez, Elisabeth Bakke, Haldor Byrkjeflot, José Antonio Cheibub, Daniel Finke, Fabio Franchino, Scott Gates, Simon Hug, Thomas König, Monika Mühlböck, Daniel Naurin, Robert Thomson, and Matti Wiberg. For passing their knowledge on game theory and mathematics over to me, many thanks to Silje, Andreas, and Tatjana. Without our study groups and morning coffee tradition I would 1) not have learnt integration and derivation properly (I went to ballet school instead of “ordinary” high school in my late teens) and 2) not have been in such a

good mood so “early” in the morning. I would also like to thank Håvard for great neighbourship and for answering all my “not so well thought out” questions. I owe a lot to my fellow PhD colleagues in Oslo and at the LSE Government Department. Many of you are already mentioned above but I wish to make a special thanks to this group of people as well for constituting such a nice working environment.

Last but certainly not least, I would like to thank my family and friends. You are truly great. Above all, thank you, Eirik, for discussions, love, (great) patience and support. Without you I am not sure what I would have done and I look more than forward to marry you in June next year. I also promise to make more dinners in the future and to be home earlier in the evenings.

*Oslo, December 16th 2013*

*Vibeke Wøien Hansen*

# Contents

<b>Introduction and summary</b>	<b>1</b>
<b>1. Issue-specific policy positions and voting in the Council (<i>co-authored with Bjørn Høyland</i>)</b>	<b>27</b>
<b>2. Linking the bargaining stage with the implementation stage: A preference-based explanation for non-compliance</b>	<b>53</b>
<b>3. Exploring preference-based determinants of the duration of EU decision making</b>	<b>79</b>
<b>4. Incomplete information and bargaining in the EU: An explanation of first-reading non-agreements</b>	<b>107</b>
<b>Concluding remarks</b>	<b>135</b>
<b>Bibliography</b>	<b>140</b>

# Introduction and summary

*Vibeke Wøien Hansen\**

European Union (EU) legislation daily affects millions of citizens in Europe. Legislation is the main outcome of the European integration project and member state implementation of EU laws is the easiest tangible measure of the project's success. Hence, research on how the decisions come about and how they are implemented across Europe is important for a variety of reasons. One of the main reasons for investigating EU decision making is to assess the democratic quality of the law making. Governments ought to be accountable to their citizens also when operating at the European level. Decision making should be as transparent as possible and involve the accountable actors across the institutions. EU democracy or the lack thereof has been a highly debated issue for the last two decades (Føllesdal and Hix, 2006; Moravcsik, 2002; Majone, 2000). This thesis contributes to the democratic deficit debate in several ways by showing that preferences matter throughout the decision-making process. First, when preferences matter the most, decisions are reached formally and are thoroughly debated in the Council of the European Union and the European Parliament (hereafter the Council and the EP). Second, preferences are not fully erased by bargaining and can also hamper the implementation process. Third, the legislative output is representative of the initial preferences of the national governments. These findings all contribute to the positive aspect of the democratic legitimacy debate.

The main motivation for this thesis is to connect preferences with observable behaviour at all stages of the EU policy-making process. The following are the most important stages in any policy-making process: 1) bargaining within a legislative body, 2) bargaining between legislative bodies, 3) formal decisions, and 4) implementation of adopted policies. Including implementation in the definition of a policy-making process ensures an exhaustive understand-

---

\*PhD student, Department of Political Science and Research Programme on Democracy, University of Oslo.  
Email: v.w.hansen@stv.uio.no

ing of the process. In this thesis, the implications of preferences for all these stages of EU decision making are investigated. The theoretical framework for this investigation is rational choice theory which assumes that actors behave in a utility-maximising way (Downs, 1957; Riker, 1962; Olson, 1982; Tsebelis and Garrett, 1996; Shepsle and Bonchek, 1997; Krehbiel, 1998; Tsebelis, 1999)

Although the research topic is the European Union (EU), the effect of preferences on decision-making behaviour can be applicable to any policy-making body. The thesis finds a link between preferences and choice of action in later stages of decision making. First, greater distance between the pivotal actors across the Council and the EP increase the probability of more than one round of co-decision bargaining. Second, government preferences do have an effect on actual voting behaviour in the Council. A negative preference is more likely to be associated with a negative vote. Third, a negative vote has an effect on the implementation process. A negative vote is more likely to be associated with poor implementation of EU directives by the member states.

Showing that decision-making stages are connected by utility-maximising behaviour is the first contribution that this thesis makes to the existing literature on EU decision making. Another contribution is its combining of a variety of different data sources. Preference-based data (Thomson and Stokman, 2003; Thomson, Stokman, Achen and König, 2006; Thomson, Arregui, Leuffen, Costello, Cross, Hertz and Jensen, 2012) are combined with voting records (Hagemann, 2007, 2008; Hagemann and Høyland, 2008) and implementation records (König and Luetgert, 2009; Luetgert and Dannwolf, 2009; Zhelyazkova and Torenlvied, 2009). These different data sources have previously been explored in isolation or have been employed to investigate preference-based explanations for delayed implementation (Thomson, Arregui and Torenlvied, 2007; Zhelyazkova and Torenlvied, 2009). In this thesis the three data sources are combined to paint a broader, interconnected picture of EU decision making.

The overarching research questions that bind together the four papers that constitute the thesis are the following:

1. *(To what extent) can preferences explain behaviour in EU decision making?*
2. *(To what extent) can preferences account for variation in EU decision-making processes?*



In the first paper (co-authored with Bjørn Høyland) the relationship between preferences and voting behaviour is investigated. The second paper explores the relationship between preferences and member state behaviour in the implementation process. Both papers utilise all the variation in behaviour at the member state level. The third and fourth papers switch focus from the member state level to the proposal level. The third paper investigates whether preferences can explain some of the variation in the duration of law making or more specifically whether voting behaviour and divergent preferences have consequences for the time needed to reach agreement. The fourth paper examines whether the preferences of the pivotal actors across the institutions can account for the variation in agreement stage in the co-decision procedure. Drawing upon veto models with incomplete information, greater distance between the ideal positions of the pivotal actors is assumed to be negatively associated with early agreement between the institutions. Altogether, these four papers connect preferences with behaviour of the involved actors in all the aforementioned stages of EU decision making. The findings show that preferences have a robust effect on behaviour throughout the decision-making process:

1. Preferences can account for voting behaviour: a negative preference increases the probability of voting “no” when the formal decision is taken.
2. Preferences in the bargaining have an effect on member state behaviour in the implementation process.
3. Preferences have an effect on bargaining time.
4. Preferences have an effect on the probability of first reading non-agreement.

All these findings will be presented in detail later in this introduction. Figure 1, however, summarises how the different papers are connected. The arrows indicate that the probability of observing the event in the connected box increases. A negative preference is assumed to increase the probability of a negative vote which again is assumed to increase the probability of poor implementation. If the decision makers have divergent preferences, bargaining is assumed to a) take more time and b) require more rounds (when the co-decision procedure applies).

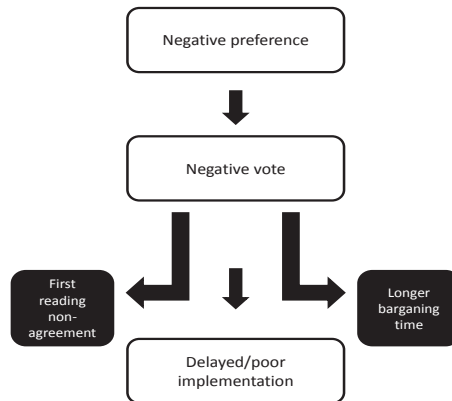


Figure 1: The impact of preferences on behaviour

The initial motivation for the thesis was to link Council voting behaviour to all stages of the decision-making process. Although decision making in the Council is often characterised as consensual (Lewis, 2000; Mattila and Lane, 2001; Lewis, 2003; Heisenberg, 2005; Hayes-Renshaw and Wallace, 2006), the published voting records show that one or more governments take dissent on more than 30 percent of all binding legislative proposals (Hagemann and De Clerck-Sachsse, 2007).<sup>1</sup> While the voting data has been thoroughly investigated in terms of coalition partners, actor alignments and dimensions of conflict (Mattila and Lane, 2001; Mattila, 2004; Hagemann and De Clerck-Sachsse, 2007; Hagemann and Høyland, 2008; Mattila, 2009), there is a lack of large N-studies that explore the impact of voting behaviour in a broader setting of EU decision making. The different components in this thesis seek to paint a full picture of the implications of Council voting for EU decision making. However, in order to investigate the effect of voting behaviour, it is also necessary to assess the effect of preferences. Voting is a product of preferences and bargaining. A vote choice can be a proxy for the voter's preference but is not necessarily so (see for instance Hagemann (2006)). Hence, treating an ob-

<sup>1</sup>This estimate includes opposition shown by formal statements.

served vote as an indication of the voter's preference is a testable assumption. This assumption is tested in the first paper of the thesis and the analysis shows that preferences and voting are interlinked. Hence, in the remaining three papers several indicators of preferences (including preferences revealed by voting) are tested in order to fully evaluate the effect of preferences on observable behaviour in the EU decision-making process. Note that this thesis does not attempt to investigate why some member states vote against a proposal and others do not beyond the assumption that preferences matter. While there is evidence for national economic and social interests determining member state vote choice in the Council (Bailer, Mattila and Schneider, 2010), the analyses in this thesis do not explicitly examine structural reasons for observed voting behaviour.

## THEORETICAL FRAMEWORK AND MAIN HYPOTHESES

The main assumption for this thesis' theoretical framework is instrumental rationality. The actors in the EU decision-making process are acting in accordance with their preferences and beliefs. In the rational choice literature the cause-and-effect relationships between actions and outcomes are seen as certain, risky or uncertain (Shepsle and Bonchek, 1997). In the setting of the European Union where the group size has continuously increased, from initially six member states in 1957 (EEC) to 28 member states in 2013, the cause-and-effect relationship can mostly be said to be risky or uncertain. Acting upon a preference for a final outcome, and in accordance with a belief about the best way to pursue this outcome, does not guarantee that the outcome will be reached. However, when maximising own utility, given the uncertainty with regard to the other actors' behaviour, actor *i* can be better off by acting in line with that actor's preferences than by choosing not to do so. Moreover, acting rationally requires ranking the different outcomes and then choosing the action that is likely to maximize the highest ranked outcome (Riker and Ordershook, 1968). In this thesis, it is assumed that EU decision makers are rational actors with Euclidean preferences. That means that the actors prefer policy outcomes close to their own ideal positions over policy outcomes farther away.

Rational choice-based literature on decision making in the EU generally assumes that gov-

ernments have preferences over policies, and act with the aim of moving policies closer to their most preferred policy outcome (ideal-point) or to prevent policies that are farther away from their ideal-point than the current policy (the status quo) from being adopted. Figure 2 shows the underlying logic of the theoretical framework. In this simple spatial representation of one actor's (*i*) position vis-a-vis the old and new policy, the ideal position of actor *i* is located closer to the old policy than to the new policy. Actor *i* will thus seek to prevent the new policy from being adopted as *i* prefers the old policy (the status quo) over the new proposal.



Figure 2: Scenario where actor *i* prefers the old policy (SQ) over the new policy

Rational choice theory is the foundation for a variety of studies in the EU literature. Game theory-based literature on decision making in the EU has traditionally aimed to establish the benefits of being agenda setters and veto players, and the location of the decision outcome, to determine the power relations between the institutions under the different legislative proce-

dures (Steunenberg, 1994; Tsebelis and Garrett, 1996; Crombez, 1996; Moser, 1996; Scully, 1997; Tsebelis and Garrett, 2000). Game theory can also be used to model situations of legislative gridlock (Crombez and Hix, 2013), bargaining power (Schneider, Finke and Bailer, 2010), democratic implications of the decision-making process (Crombez, 2003), and the relationship between the principal and the agent at the different levels of EU decision making (Hug, 2003a).

Large N-studies on EU decision making have utilised rational choice theory in different ways. Actor alignment in the Council (e.g. Mattila, 2004; Zimmer, Schneider and Dobbins, 2005; Mattila, 2009; Thomson, 2009a) is a product of preferences and voting behaviour. Some governments manage to secure a policy outcome closer to their own interests than others (e.g. Bailer, 2004; Arregui and Thomson, 2009; Cross, 2013). A high degree of heterogeneity in preferences increases the probability of failed implementation (König and Luetgert, 2009). Preferences far away from the policy outcome increase the probability of implementation infringements detected and enforced by the Commission (Thomson, Arregui and Torenvlied, 2007).

The general theoretical approach in this thesis builds upon this literature. It is assumed that preferences are connected with observable behaviour, and that variation in preferences has an effect on the various stages of the decision-making process. The actors are assumed to behave in a rational manner in all stages of decision making. The main theoretical contribution is thus to follow this logic throughout the decision-making process beginning with the bargaining stage and ending with the implementation stage. The theoretical assumptions are illustrated in a simplified manner in Figure 3. The figure is drawn as a game tree to illustrate that actor *i* has different choices in a decision-making process. The bold paths are the paths that can be directly derived by backward induction. In the rational choice theory framework, actor *i*'s preference determines voting behaviour, which again determines implementation behaviour. Hence, observing poor implementation at the end of the decision-making process should indicate that such behaviour stems from a negative position on the adopted policy. Note, however, that Figure 3 illustrates a simplified theoretical argument. Several other variables may distort any direct relationship between the bargaining phase and the implementation phase. Hence, the statistical analyses control for other explanations that can account for (non)compliance. For instance, the level of discretion attached to a directive or the perceived effectiveness of the different national

governments can also contribute to explaining the observed implementation pattern across the EU member states.

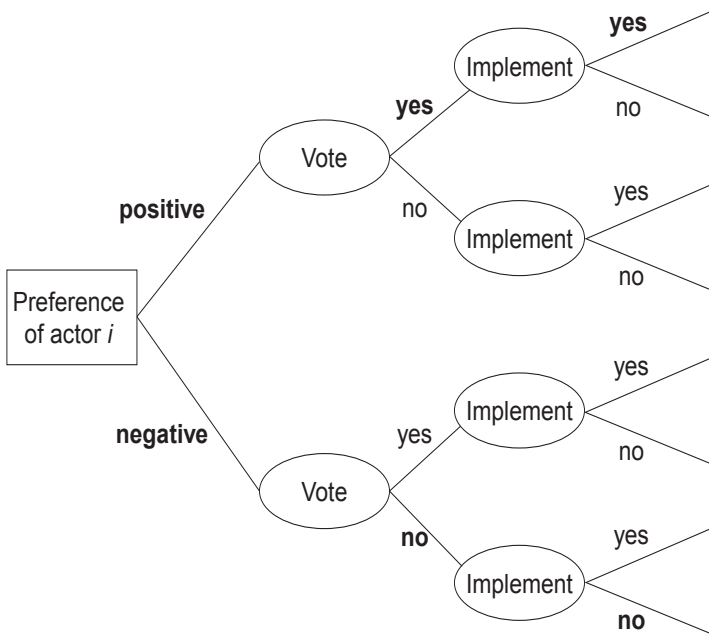


Figure 3: Illustration of theoretical approach

The first and second papers of the thesis investigate these two paths. The first paper investigates whether there is a connection between preferences and voting in the Council. The main expectation of the analysis in this paper is the following:

- *H1: Preferences that are far away from a policy outcome increase the probability of dissent at the voting stage.*

The second paper investigates whether preferences and votes affect member state implementation behaviour. In this paper there are two expectations that relate explicitly to the general theoretical framework:

- *H2: Preferences that are far away from a policy outcome increase the probability of poor implementation of this particular policy.*
- *H3: Dissent taken at the voting stage increases the probability of poor implementation of this particular policy.*

The third and fourth paper look at the decision-making process prior to the implementation stage and ask whether the preferences of the EU decision makers can account for some of the variation in the different processes. The third paper investigates whether the duration of decision making is affected by the preferences held by the actors involved. The main expectation of this particular analysis is that preference-based indicators of disagreement (including negative votes and inter-institutional ideological distance) prolong the time it takes to reach a formal decision:

- *H4: Preference-based disagreement increases the duration of EU decision-making.*

The fourth paper examines whether the preferences of the pivotal actors have an impact on observed decision-making behaviour across the institutions. More specifically, the analysis in the fourth paper seeks to explain why some agreements, under the co-decision procedure, are reached early and others are reached at later stages. The main expectation here is that greater distance between the pivotal actors across the institutions is negatively related to first-reading agreement in the EU:

- *H5: Preference-based disagreement reduces the probability of first-reading agreement across institutions.*

These two papers also control for explanations for observing paths (in Figure 3) that diverge from a strict instrumental rationality assumption in the different stages of a decision-making process. For instance, on non-salient and noncontroversial legislation the incentives for acting upon preferences are reduced and the above expectations no longer hold to the same extent. The analyses thus control for the salience attached to the proposal and whether the proposal content spurred extensive inter-institutional discussion. The latter is measured by whether the EP amended the proposal or not. Proposals without EP amendments can be regarded as standard legislation of an uncontroversial character. In these cases the EP has deliberately chosen not

to utilise its agenda-setting powers (in the sense of initiating amendments to the proposal in question) (Tsebelis, 1994).

### *Alternative theoretical explanations*

The theoretical framework employed in this thesis is just one of many theoretical frameworks that can shed light on the dynamics of EU decision making. Alternative theoretical explanations may equally well account for the observed phenomena as the explanations provided for in the four papers in this thesis. Furthermore, competing explanations are not necessarily mutually exclusive. Consensus norm explanations of Council law making can coexist with a rational choice explanation of member state voting behaviour. The first type of explanation focuses on socialisation and learning processes (Heisenberg, 2005; Lewis, 2000, 2003). New member states are immediately introduced to the norms governing “the culture of consensus” in the Council. The frequent meetings and negotiations lead to high levels of trust among the members which again lead to higher reputation costs. This facilitates a diffuse form of reciprocity where the different actors do not expect their needs to be immediately met. However, any culture of consensus does not directly imply that member states vote against their preferences. It just indicates that the result of bargaining is a compromise that most of the actors have few difficulties in adopting to (Thomson et al., 2006; Häge, 2013).

Similarly, path dependence in EU decision making does not mean that EU decision makers cannot pursue their goals and preferences in a rational manner. While path dependence certainly can restrict the possible choices of each actor, it does not imply that the actors cannot choose the best action available for promoting their own interests. The concept of path dependence is crucial to the theoretical tradition of historical institutionalism (March and Olsen, 1989). Timing and sequence shape specific historical patterns that are difficult to reverse (Pierson, 2000). In the EU context, the products of path dependence have created gaps in member state control. These gaps are, in the long run, likely to be at odds with the initial preferences of most of the member states. Such gaps can result from various factors. The restricted time horizons of EU decision makers, the autonomous actions of supranational actors (i.e. the Commission and the



European Court of Justice), unintended consequences, and shifts in the preference configuration within the Council are all factors that are likely to reduce member-state control of the integration process (Pierson, 1996). Historical institutionalism is often portrayed in sharp contrast to the theoretical tradition of intergovernmentalism. According to this tradition, member state interests are at the forefront of the integration process (Moravcsik, 1993). Although intergovernmentalist accounts are embedded in the framework of rational choice, this does not mean that rational choice institutionalism cannot live side by side with historical institutionalism. The former tradition also includes studies that focus on the significance of historical processes (e.g. North, 1990).

However, the emphasis of this thesis on preference-driven behaviour can clearly be criticised by proponents of historical institutionalism. Some of the factors that potentially make preferences less important in the decision-making process are controlled for in the subsequent analyses. For instance, in the analysis of member state implementation of EU directives (Paper 2), the behaviour and interests of the Commission are accounted for. Any shifts in preference configuration within the Council are also controlled for by including a variable of ideological distance. This variable accounts for the (ideological) effect of government changes in the different member states. But any relationship between voting behaviour and implementation behaviour can clearly be affected by shifts in national governments. Directives should usually be implemented within two years of adoption. The government that implements a policy is thus not necessarily the same government that adopted it. When the preferences of the new and old governments are significantly different from each other, the link between voting behaviour and implementation behaviour diminishes. In cases where voting behaviour is a product of national issues that are independent of government composition, this link will prevail. Despite the uncertainty created by possible government changes, the effect of voting behaviour on implementation behaviour can be thoroughly explored in a large N-framework.

Constraints can clearly also make it harder to act upon preferences. We can then talk about bounded rationality instead of rationality in a strict sense. The concept of bounded rationality stems from the observation that rational actors are significantly affected by constraints raised by limited information and complex environments (Simon, 1955). The final paper in this thesis

directly investigates the issue of bounded rationality in inter-institutional bargaining. Here, insights derived from veto models with incomplete information are applied to the setting of EU decision-making under the co-decision procedure. While this thesis employs a simplified theoretical framework that only provides one understanding of decision-making dynamics, the research design is constructed to tackle some of the criticisms raised by competing (however, not necessarily incompatible) theoretical accounts.

## DATA AND METHODS

All four papers in this thesis apply some sort of statistical model to answer the research questions raised in the different papers. The desire to account for the variation in EU decision-making processes over a longer time frame (1999-2009) is the main argument for choosing a quantitative framework for the thesis. However, this choice contains some problematic issues that need to be addressed. First and foremost there are several selection biases in data on EU decision making. First, only adopted legislation is reported in the voting records. Second, the member states are the ones that report whether or not a legislative act is implemented on time. Third, the Commission selects which of the poorly implemented acts (infringements) demand further legal action. After presenting the main data sources, these and other data problems are further discussed.<sup>2</sup>

All four papers in the thesis employ data on Council voting. This type of data first became available to the public in the 1990s and before that decade no minutes from Council meetings were recorded (Mattila and Lane, 2001). In 1993 the Council and the Commission specified a “code of conduct” which stated that EU citizens were granted “the widest possible access to documents” (Stasavage, 2004). In practice, this meant that access to documents would only be permitted if the Council members agreed to release the requested documents. *The Guardian* made big headlines when their journalist John Carvel was denied access to a number of Council documents. The newspaper took the case to European Court of First Instance and since the judgment (which was in favour of the newspaper) the Council has gradually become more

---

<sup>2</sup>see Figure 4 for an overview of the data sources that are used in the different papers.

transparent. In 2001, Regulation (EC) No. 1049/2001 was adopted. This regulation set out the principles for how legislative records from the Commission, the Council, and the European Parliament (EP) should be released to the public. The result of this regulation is several online databases. One of these is of the Council voting records which are published in the Council minutes and in the monthly summaries of Council acts.<sup>3</sup> These data sources contain legislative records from 1999 and onwards. In this thesis, both data sources are used to construct the voting variables. Data on the years before the 2004 Eastern European enlargement are taken from Hagemann and Høyland (2008). This data also stems from the Council minutes.

The second data source which is employed in all four papers is the European Commission database PreLex.<sup>4</sup> PreLex keeps track of the interactions between the EU institutions on both legislative and non-legislative proposals over time. This data source is consulted to generate variables such as ministerial involvement and additional information on voting rules and the various stages of EU decision making. Data on preferences, in terms of issue-specific positions on a set of controversial proposals, are taken from the “Decision Making in the European Union” (DEU) data set. The DEU data consists of member states’ policy positions on 331 controversial issues raised in 125 legislative proposals initiated by the Commission. The information was collected through 349 expert interviews (Thomson et al., 2006, 2012). In the interviews, the Commission, the EP and the member states were assigned positions. The positions on each issue were estimated along a standardised policy scale with values between 0 and 100. The numerical differences between the actors reflect the political distance between them (Thomson and Stokman, 2003). Also, the reference point (similar to the status quo), the decision outcome of each issue, and the level of salience that each actor attached to each issue were defined along this continuum. The DEU data are employed in the first, second and fourth paper of the thesis.

The data on implementation stem from the EU database EUR-Lex and the annual reports on national implementation of EU law.<sup>5</sup> EUR-Lex keeps track on all EU laws and the implementation of these. The data on implementation after the 2004 enlargement is coded specifically

---

<sup>3</sup>see <http://www.consilium.europa.eu/documents/legislative-transparency/>

<sup>4</sup>see <http://ec.europa.eu/prelex/>

<sup>5</sup>see <http://eur-lex.europa.eu/en/index.htm>

for this thesis. For the proposals adopted before the enlargement the thesis utilises a data set employed in a study by Zhelyazkova and Torenvlied (2009) which is also based on the aforementioned sources. The third and fourth paper employ data from the European Union Policy Making (EUPOL) data set (Häge, 2011a).

Data on issue-specific ideological preference profiles of political parties are taken from the EULIS data set (König and Luig, 2012) and combined with cabinet information from the Parl-Gov data set (Döring and Manow, 2011) in order to measure preference distance within the Council and across the Council and the EP. This type of data is employed in the third and fourth papers of the thesis.

### *Data limitations*

The data sources employed in this thesis cannot fully present a correct picture of EU decision making. This is a common drawback of a large N-study and can only be remedied by additional case studies (see Luetgert and Dannwolf (2009) for an example of this valuable approach). Even so, large N-studies facilitate an opportunity to exploit the variation in EU decision making and to make fairly certain conclusions about why decision-making processes differ from each other. With that said, all the findings in the thesis have to be interpreted in light of the main data limitations (King, Keohane and Verba, 1994). There are limitations and selection biases in all the employed data sources. Although researchers try to tackle these in the best possible ways, these issues cannot be entirely solved in a large-N study such as this thesis.

Approximately 89 percent of the available legislative data are adopted legislation (Häge, 2011a). Proposed legislation fails to be adopted in about 11 percent of the reported cases in PreLex. These proposals are withdrawn by the Commission. The withdrawn proposals are usually not reported in the Council minutes and are thus not a part of the voting records. The same can be said of votes on proposals that did not manage to attract the required support. If enough governments oppose, legislation will neither be adopted nor will there be any record of the vote. As the *Guardian* example shows, the Council may also choose not to publish particular legislative records. In fact, Council officials stress that only the voting records published from 2006

and onwards can be regarded as complete.<sup>6</sup> There is thus a selection bias in this data source. Such a bias leads to flawed conclusions when data sets are incomplete (Hug, 2003b). When the recording of voting decisions is partial, the recorded votes may provide a biased sample of the whole population of votes (Hug, 2010). Council researchers are well aware of this bias but have yet to address the magnitude of this problem. The first paper in this thesis concludes by proposing that the selection bias can be accounted for through a simplified selection model (Little and Rubin, 2002; Zhang and Wang, 2012). While it cannot be claimed that such an approach is capable of fully accounting for the selection bias in the recorded Council votes, it may represent a step towards a richer account of voting in the Council.

There is also selection bias in quantitative data on the implementation of EU directives. It is the member states that notify the Commission when they have made the necessary measures to comply with a directive.<sup>7</sup> The member states are supposed to comply with a directive within a given deadline. However, in several cases the deadline has not been met. The number of measures necessary to implement a directive vary with the existing national legislation in each member state. Hence, researchers usually use the date of the first notified measure to code whether a directive was implemented on time (König and Luetgert, 2009).<sup>8</sup> This does not mean that a directive has been correctly implemented. Such a variable (transposition delay) can only indicate whether a member state took some steps to implement a directive before the deadline, whether it took some steps to implement a directive after the deadline, or whether it has yet to notify the Commission of any measures. Due to the extent of incompletely implemented directives, the Commission does not have the capacity to enforce all the infringements that the member states commit in the implementation process (Falkner, Treib, Hartlapp and Leiber, 2005). This is another source of selection bias in the implementation data. The Commission needs to

---

<sup>6</sup>This information stems from the informal interview I conducted with two Council officials, Jakob Thomsen and Carla Santos Moore, in Brussels in November 2012. Both were then working in Unit 2A-Document Access and Legislative Transparency. They also mentioned that a new and improved database was planned for release in 2014.

<sup>7</sup>I visited EUR-Lex (a part of the Publications Office of the European Union) in November 2012 for an informal interview on their data generation process. EUR-Lex contains information on the implementation notifications made by the member states. EUR-Lex officials told me that this database could be biased in at least two different ways: 1) The member states can forget to notify the Commission and 2) The Commission can forget to report the national measures taken to the EUR-Lex system. Such incidences delay and bias the database content.

<sup>8</sup>However, several researchers use more fine-grained measures of transposition (e.g. König and Luetgert, 2009; Steunenbergh and Toshkov, 2009; Thomson, 2010; König and Mäder, 2013; Zhelyazkova, 2013).

prioritise from among various infringements when initiating infringement proceedings. Hence, studies on both sources of implementation failure, transposition delay and infringements, are needed to address the effect of preferences on implementation behaviour. This thesis hence employs both data sources in the quantitative analyses.

A fourth type of selection bias issues are found in the positional data set (DEU). First, only somewhat controversial proposals are part of this data set. Due to the chosen research questions, controversy was the main selection criteria for the data collection. In hindsight, some pre-2004 proposals were shown to be less controversial than at first assessment (Thomson et al., 2012). Even so, studies employing this data source may overstate the extent of disagreement within the Council. Any exaggeration of the overall disagreement level is, however, a necessary by-product of this research project, as empirical tests of spatial models of decision making rely on variation in actors' positions. On uncontroversial legislation, the variation in positions is likely to be limited. Second, the interviews were conducted after the proposals were negotiated. The preferences attributed to the different actors may hence deviate somewhat from their actual preferences. Third, the selection of issues within a proposal may not be the only important factors that came up in the bargaining. The DEU data was cross-checked by König, Lindberg, Lechner and Pohlmeier (2007) who compared the DEU data with their own interview based positional data. Although different experts were interviewed by the two teams of researchers, the cross-examination revealed a high match between the point estimates of the location of the status quo, the decision outcome, and the positions of the different actors in the two data sets. This cross-check thus mitigates the criticism of the reliability and validity of the DEU data to some extent.

In general, the implications of the various selection biases for the findings presented in this thesis are likely to be of a conservative nature although this cannot be known with certainty. The detected relationships might be assumed to be even stronger if selection bias was accounted for. First, there are no theoretical reasons for expecting that the identified relationship between preference-based positions and votes would change if data on failed legislation existed. Second, improved measures of implementation could result in a stronger relationship between preferences and (non)compliance. The latter argument is supported by the studies conducted by

Thomson (2010), König and Mäder (2013), and Zhelyazkova (2013) which all introduce more fine-grained measures of compliance.

### *Choice of statistical models*

Several different statistical modelling techniques are used in this thesis. The choice of modelling technique is based on the specific research question and the available data. In the first paper, the chosen statistical model is a hierarchical probit model that accounts for the uncertainty related to imputation of missing positions and easily accommodates the hierarchical structure of the data by employing Bayesian simulation (Gelman and Hill, 2007; Jackman, 2009). The analyses in the second and third paper both investigate the duration of one stage in the (broader) decision-making process. The second paper looks at whether or not member states comply with a directive within the transposition deadline. The third paper investigates whether the duration of the bargaining phase varies with the level of disagreement at the proposal level. In both papers, the dependent variable is the time it takes before the applicable event occurs (implementation and adoption, respectively). Hence, an event history modelling technique (often referred to as survival analysis) is applied to model the processes of change. Event history analysis allows for studying the probability that an event happens on any given day provided that it has not happened before (Box-Steffensmeier and Jones, 2004; Cleves, Gould, Gutierrez and Marchenko, 2008).

The paper on implementation (Paper 2) also employs logistic regression to model the likelihood of infringements. The same method is used in the fourth paper to model the likelihood of first reading decisions. The choice of logistic regression in these two papers is in line with the previous literature (Thomson, Arregui and Torenvlied, 2007; Rasmussen, 2011; Reh, Héritier, Bressanelli and Koop, 2013). This facilitates a direct comparison with the previous findings in the literature.

## INSTITUTIONAL REFORM AND INVOLVEMENT OF THE EU IN THE TIME FRAME OF THE THESIS

This thesis considers mainly legislation adopted between 1999 and 2009. There are several reasons for this time frame. First, the Council voting records are only available from 1999 and onwards. Second, the reform of the co-decision procedure, which is instrumental to the research design of the fourth paper, was introduced in 1999. Third, the utilised data sets all span over this time frame. During these ten years the EU has been subject to three different treaties; the Treaty of Amsterdam (entered into force 1 May 1999), the Treaty of Nice (entered into force 1 February 2003), and the Treaty of Lisbon (entered into force 1 December 2009). The reforms introduced by the Treaties of Amsterdam and Nice have had explicit implications for the research design of this thesis. The Amsterdam Treaty paved the way for increased usage of the co-decision procedure (where the Council and the EP are coequal legislators). The Nice Treaty ensured a smoother transition with regard to the accession of ten more member states. The thesis is thus designed to exploit and to account for these reforms.

While legislation was initially adopted through the consultation procedure where the EP only had the power to delay a Council decision in the first and only reading of the legislative process, reforms introduced by the Single European Act (1987), the Maastricht Treaty (1993), and the Amsterdam Treaty (1999) incrementally made EU legislative politics bicameral (Hix and Høyland, 2011, 52-53). The revision of the co-decision procedure by the Amsterdam Treaty, in particular, formalised the power of the EP and made the two institutions coequal legislators (Hix, 2002). In addition to extending the scope of this procedure, the Amsterdam reform had two important consequences: (1) If there is agreement between the institutions, legislation can be adopted already in the first reading, and (2) if no agreement can be reached in the conciliation committee, no legislation will be adopted. Hence, the Council could no longer give the EP a “take it or leave it” proposal following a breakdown of the conciliation committee, the last stage of the procedure. The first implication makes it possible to apply the insights generated by veto bargaining models with incomplete information to EU decision making. Such models exploit the features of sequential bargaining with the possibility to extend over more than one round of



bargaining (Cameron and McCarty, 2004). While co-decision proposals can be agreed upon in the first round, decision-making also frequently extends to further rounds.

The issue of Eastern European enlargement in 2004 (ten new member states) and 2007 (two new member states) is accounted for when the data sets utilised include proposals adopted after this increase in group size. Papers 2 and 4 add a dummy variable for *Enlargement* in the statistical analyses.

The dynamics of EU decision making are complex. Hence, each paper of this thesis seeks to provide the reader with the necessary background information to understand the logic of the different arguments and the reasons for the choices made with regard to the research designs.

## CONTENT OF THESIS

This thesis consists of four independent papers. The individual papers are, however, related to each other and some overlap in content is inevitable, especially with regard to the theoretical sections and descriptions of methods and data sources. All papers have been presented at conferences and/or workshops. Paper 1 has been accepted for publication in *European Union Politics* (EUP) and is forthcoming in 2014. Paper 4 has a “revise and resubmit” from the same journal.<sup>9</sup> The remaining two papers are both submitted to journals.

Figure 4 summarises the research design, data sources and main findings of the four papers in the thesis.

### *Paper summaries*

#### *Issue-specific policy positions and voting in the Council (co-authored with Bjørn Høyland*

This paper links the bargaining stage with the voting stage and addresses the Janus-face of politics in the Council. There is bargaining with identifiable winners and losers, yet the vot-

---

<sup>9</sup>I received the “revise and resubmit” decision from EUP on December 13th, 2013. Hence, I have not had the chance to implement the valuable suggestions of the four reviewers before submitting this thesis.

Paper	Research question	Data	Statistical model	Dependent variable	Main finding
1) Issue-specific policy positions and voting in the Council (with Bjørn Høyland)	1	Council voting data, DEU data set (Thomson, 2006, Thomson et al., 2012), PreLex	Hierarchical probit model (MCMC)	Member state vote choice	Governments are guided by their issue-specific preferences when voting in the Council
2) Linking the bargaining stage with the implementation stage: A preference-based explanation for non-compliance	1	Council voting data, transposition records (EUR-Lex), Zhelyazkova and Torenvlied, 2009), infringement data, DEU data set (Thomson, 2006, Thomson et al., 2012), PreLex	Logistic regression and Cox proportional hazard regression (event history analysis)	Member state implementation behaviour: 1) Infringements 2) Transposition delay	Preference-based explanations for non-compliance perform better when accounting for infringements than transposition delay
3) Exploring preference-based determinants of the duration of EU decision making	2	EUPOL data set (Häge 2011), Council voting data, EULIS data set (König and Luig, 2012), PreLex	Cox proportional hazard regression (event history analysis)	Proposal level: Bargaining time	Dissent in Council voting and inter-institutional preference divergence slow down EU decision making
4) Incomplete information and bargaining in the EU: An explanation of first-reading non-agreements	2	DEU data set (Thomson, 2006, Thomson et al., 2012), EUPOL data set (Häge, 2007, Häge, 2011), Council voting data, EULIS data set (König and Luig, 2012), PreLex	Logistic regression	Proposal and issue level: First-reading agreement	First-reading agreements are less likely to occur (1) the greater the distance between the ideal points of the pivotal actors and (2) the greater the salience attached to the proposal

Figure 4: Summary of papers in the thesis

ing records show high levels of agreement. These phenomena have almost exclusively been studied in isolation even though standard theoretical models of voting typically assume that actors' behaviour is guided by their positions relative to the new proposal and the status quo. By combining positional data and voting data, this paper evaluates the extent to which voting is driven by salience-weighted issue-specific positions. The results show that governments' voting behaviour is guided by their issue-specific positions. Positions and voting behaviour are interconnected. However, the relationship between preference-based positions and votes is stronger when values for the missing positions in the positional data are imputed on an issue-by-issue basis. This finding illustrates the importance of cautious treatment of missing data in EU decision making. Missing positions are thus also similarly imputed when this type of data is employed in the other papers of this thesis.

*Linking the bargaining stage with the implementation stage: A preference-based explanation  
for non-compliance*

This paper relates the bargaining and voting stage to the implementation stage in EU decision making. To what extent can non-compliance be accounted for by the preferences of the Council members at the bargaining stage? Preferences that are not in line with the adopted policy can provide actors with an incentive to deviate when implementing this policy. The question is whether such an incentive to deviate has an actual effect on the implementing behaviour of the member states. This paper investigates the relationship between preference-based indicators and non-compliance in the EU by employing two different operationalisations of implementation performance as the dependent variable in the analyses. The analysed data set consists of 41 directives adopted before and after the 2004 enlargement. The main finding is that a preference-based explanation for non-compliance is supported when the dependent variable is measured as non-compliance (infringements) detected and enforced by the Commission. The odds of infringements increase when member states have preferences far away from the policy outcome or are outvoted in the decision making, and when there is greater variation in the distribution of preferences within the Council. On the other hand, a preference-based explanation is not

supported when transposition delay is employed as the dependent variable. In this type of analysis, conflict in the bargaining actually speeds up transposition. Such a finding is in line with the monitoring and managing explanation where the Commission acts as problem-solver to ease member state implementation.

### *Exploring preference-based determinants of the duration of EU decision making*

This paper investigates how controversy and conflict in the negotiations affect decision-making efficiency in the EU. The quantitative analysis conducted on 670 co-decision proposals adopted between 1999-2009 shows that preference divergence has a robust effect on the duration of EU decision making. Proposals where one or more member states objected at the voting stage have longer bargaining stages than consensual proposals. Greater distance between the ideal points of the pivotal actors in the Council and the European Parliament increases the time it takes to adopt legislation. Highly salient proposals and proposals that receive actual ministerial attention also take longer to decide than less salient proposals and proposals that can be agreed upon at lower levels. The need to strike an agreeable compromise on controversial proposals thus has a significant time cost. Controversy and conflict slows down EU decision making.

### *Incomplete information and bargaining in the EU: An explanation of first-reading non-agreements*

This paper links preference divergence to the probability of first-reading agreement under the ordinary legislative procedure (co-decision). The theoretical framework is based on veto bargaining models. Standard models of veto bargaining show that if all actors are completely informed about the preferences of the other actors, vetoes should not be observed. Following this logic, under the assumption of complete information, bargaining in the European Union (EU) should never reach the second reading of the co-decision procedure. Even so, non-agreement at the first-reading stage occurs frequently in EU decision making. How can this be explained? Drawing upon game theory on bargaining under incomplete information, two specific predictions

with regard to the occurrence of first-reading non-agreements can be generated. First-reading agreements are less likely to occur (1) the greater the distance between the ideal point of the Council and the ideal point of the European Parliament (EP) and (2) the greater the salience attached to the proposal. This paper finds robust support for both hypotheses in two different empirical tests. The first test is based on positional data while the second test is based on proposal-specific data. While previous EU studies have shown an increase in the number of first-reading agreements, these studies have not attempted to explain why not all proposals are agreed upon at the first-reading stage. This analysis thus contributes to the existing literature by providing a theory-driven micro-level explanation of first-reading non-agreements. Furthermore, the findings also relate to the positive side of the democratic legitimacy debate by showing that particularly important and controversial legislation is decided transparently with the involvement of accountable actors.

## THESIS CONTRIBUTION

This section seeks to outline the general contribution of the thesis. Ideally, a research project should satisfy two criteria: 1) “a research project should pose a question that is “important” in the real world” and 2) “a research question should make a specific contribution to an identifiable scholarly literature by increasing our collective ability to construct verified scientific explanations of some aspect of the world” (King, Keohane and Verba, 1994, 15). The following explains how this research project has endeavoured to meet these two criteria.

### *Relevance of the argument*

To put it simply, the findings in this thesis show that preferences have an effect on observed behaviour, the EU decision makers act in accordance with their preferences. In sum, the different quantitative analyses show that: 1) preferences have an effect on voting behaviour, 2) preferences have an effect on implementation behaviour, 3) negative preferences (as revealed in voting) increase bargaining duration and 4) larger preference divergence between the pivotal

actors increases the probability of more than one round of inter-institutional decision making.

The main argument has, in particular, three different side effects that can be considered to be substantially important. First, the findings, in general, contribute to the positive side of the democratic legitimacy debate. For the millions of citizens whose lives are affected by the EU on a daily basis, it is reassuring to know that 1) the decision makers are relatively transparent in their motivation, they act in line with their initial preferences, 2) the decision makers seek to promote the interests of their home constituency also at the European arena, bargaining is tougher when there is large variation in preferences, and 3) controversial and highly salient dossiers are negotiated transparently with the involvement of accountable actors. Second, this thesis does not (nor does it attempt to) rule out that behaviour is guided by strategic considerations. However, it is shown that preferences can contribute to explaining observable behaviour. This supports the relevance of rational choice theory when seeking to explain EU decision making or decision making in general. Third, the research design and findings may also be applicable to other international decision-making bodies such as the United Nations Security Council, the World Trade Organization and the World Bank, as well as decision-making bodies at the national level. This enhances the importance and relevance of the main argument.

### *Contribution to the literature*

This thesis makes several contributions to the existing literature. King, Keohane and Verba (1994) list some possible ways to proceed when a researcher wants to locate a research project within the framework of existing social science literature. The different components in this thesis are based upon several of these listed possibilities. The research design is embedded in four explicit motivations in particular:

1. *“Attempt to resolve or provide further evidence of one side in the literature—perhaps demonstrate that the controversy was unfounded from the start”.*
2. *“Design research to illuminate or evaluate unquestioned assumptions in the literature”.*
3. *“Argue that an important topic has been overlooked in the literature and then proceed to*

*contribute a systematic study to the area”.*

4. *“Show that theories or evidence designed for some purpose in one literature could be applied in another literature to solve an existing but apparently unrelated problem” (King, Keohane and Verba, 1994, 16-17).*

The initial motivation of the thesis was to make a systematic study of the effects of Council voting behaviour on the EU decision-making process. The argument here was that this type of voting data could be utilised in other ways than those paths already investigated in the literature. This motivation is evident in all the four papers and is in line with motivation 3 above. Paper 1 also rests upon motivation 1 and 2. Heisenberg (2005) portrays the consensual decision mode of the Council as if it were at odds with rational choice explanations. Paper 1 illustrates that this is not the case and contributes to solving this “controversy” in the literature. The analysis in this paper also shows that the two different data sources on conflict within the Council (positional data and voting records) are mutually compatible. Previously, these data sources have been assumed to be similar. The empirical analysis shows that both sources grasp parts of the same underlying topic. Studies that utilise one of these data sources can thus safely be compared to studies using the other. Furthermore, Paper 4 applies theory designed for veto bargaining in order to explain first-reading non-agreement across the Council and the EP (under co-decision). While veto bargaining theories have been extensively applied in the EU setting, previous studies have not (1) applied these to explain this particular problem nor (2) directly tested expectations generated by the assumption of incomplete information. This type of contribution is similar to motivation 4.

Another main contribution to the literature is the rigorous data generation process and subsequent robust data analyses. The papers in this thesis combine different data sources, generate variables from different databases, update previously investigated variables, and test other operationalisations of key indicators. The analyses have also strived to report the uncertainty of the findings and to treat missing values adequately. The different research design choices are thoroughly elaborated and explained in order to secure possible replicability of and future extensions to the analyses.

### *Suggestions for further research*

The research presented in this thesis signposts several paths for future research. First, the selection bias in Council voting data can be further explored in the framework of a simplified selection model (Little and Rubin, 2002; Zhang and Wang, 2012). Second, more and newer data can be added to the different analyses to investigate whether the main findings also hold for larger data samples. For instance, the new and improved Council voting database to be released in 2014 can enhance the robustness of analyses utilising this data source.<sup>10</sup> Third, the analyses can be replicated with refined measurement of substantial indicators. This is particularly interesting for the implementation analysis. For instance, it is possible to investigate the issue level rather than the proposal level (see König and Mäder (2013)). Fourth, incomplete information models can be more extensively applied to the EU setting. The effect of learning on the assumption of incomplete information, either throughout bargaining rounds or due to repeated interaction, can be investigated more thoroughly in both large and small N-studies. Finally, this research design or extensions to it can be applied to other decision-making bodies at the national or international level.

---

<sup>10</sup>My Brussels interviews with the Council secretariat are the source of this information.



# Issue-specific policy positions and voting in the Council<sup>i</sup>

Bjørn Høyland<sup>ii</sup> and Vibeke Wøien Hansen<sup>iii</sup>

## ABSTRACT

Politics in the Council is Janus-faced. There is bargaining with identifiable winners and losers, yet the voting records show high levels of agreement. These two sides have almost exclusively been studied in isolation even though standard theoretical models of voting typically assume that actors' behaviour is guided by their positions relative to the proposal and the status quo. By combining positional data and voting data, we evaluate to what extent voting is driven by salience-weighted issue-specific positions. Our results show that governments' voting behaviour are guided by their issue-specific positions. The relationship between preference-based positions and votes is stronger when we impute values for the missing positions in the positional data. This illustrates the importance of cautious treatment of missing data in EU decision-making.

**Keywords:** Council, European Union, Missing data, Preferences, Voting

---

<sup>i</sup>This paper is accepted for publication in *European Union Politics* and is forthcoming in 2014. Earlier versions of the paper were presented at the 2010 Democracy conference at the University of Oslo, at the 2010 ECPR EU standing group conference in Porto and at the 2013 EUSA biannual conference in Baltimore. We thank the participants, in particular Fabio Franchino, Scott Gates, Simon Hug, Monika Mühlböck, Daniel Naurin and several anonymous reviewers for their useful comments. Parts of Høyland's research on this project were funded by the Norwegian Research Council under grant 4454/V10, *Conceptualization and Measurement of Democracy*. While carrying out this research Høyland has been associated with the ESOP centre at the Department of Economics, University of Oslo. ESOP is supported by the Research Council of Norway. Wøien Hansen's research was funded by the Research Programme on Democracy at the University of Oslo.

<sup>ii</sup>Professor, Department of Political Science, University of Oslo. Email: [bjorn.hoyland@stv.uio.no](mailto:bjorn.hoyland@stv.uio.no)

<sup>iii</sup>PhD candidate, Department of Political Science, University of Oslo. Email: [v.w.hansen@stv.uio.no](mailto:v.w.hansen@stv.uio.no)

Voting in the Council is often described as consensual (Lewis, 2000; Heisenberg, 2005; Hayes-Renshaw and Wallace, 2006). Voting records were first released in the 1990s and these records revealed high levels of unanimous votes even in policy areas where a qualified majority of the weighted votes would have sufficed (Mattila and Lane, 2001). The low level of public contestation led Heisenberg (2005) to argue that the Council is “the institution of ‘consensus’ in the European Union”, a result of more than 40 years of negotiations among the same partners. New Council members are immediately introduced to the norms governing this culture of consensus. Because of the high frequency of meetings and negotiations, the trust among partners is high and reputation matters a lot. This allows for a diffuse form of reciprocity where the different actors do not expect their needs to be immediately accommodated (Lewis, 2000, 2003). Instead, the actors engage in repeated interactions that facilitate a stable norm of consensus.

Bargaining in the Council is, on the other hand, characterised by diverging interests and continuous disagreements (Thomson et al., 2006; Thomson, 2011). There are winners and losers in EU decision making. Analyses employing positional data show that some governments manage to secure a policy outcome closer to their own preferences than others (Bailer, 2004; Arregui and Thomson, 2009; Golub, 2012; Cross, 2013).

Hence, accounts of decision making in the Council may at first sight seem contradictory. Studies that rely on positional data emphasise bargaining (e.g. Thomson et al., 2006), while studies that rely on voting records emphasise the consensual nature of Council decision making (e.g. Heisenberg, 2005). The description of politics in the Council is thus dependent on which part of the decision-making process we wish to investigate as well as the available data sources. However, the different strands of the literature are compatible with each other. To account for both the bargaining stage and the voting stage, we combine voting data and positional data in order to test to what extent governments act in a utility maximizing manner when voting in the Council. Although the Council has a preference for deciding by unanimity, opposing votes are tabled. Governmental preferences on EU policies also differ from each other as revealed by positional data based on expert interviews (Thomson et al., 2006). Linking the bargaining stage with the voting stage can thus tell us whether the governments that are on the losing side of the bargain follow up by voting against the proposal. If such a relationship between preference-

based positions and voting behaviour is established, this puts into question the notion that the Council is "the institution of 'consensus' in the European Union" (Heisenberg, 2005; Lewis, 2000). Instead, such a relationship would support the notion that we need to treat consensus as a variable rather than a constant in our analysis of Council decision making (Schneider, 2008).

Our contribution to the literature is twofold. First, we evaluate to what extent governments base their voting decisions on a comparison between the old policy and the new policy, in line with the logic of a simple spatial model. In order to do this, we combine the positional data with voting data. The results show that there is a relationship between preference-based positions and voting behaviour. A government that prefers the old policy over the new policy is more likely to vote against the new policy than a government that prefers the new policy over the old. Second, we show that different treatments of missing data in the positional data set have an effect on the main results. This relationship is stronger when we account for the missing values in the positional data set. Appropriate treatment of missing data is important for this type of analysis.

Our paper is organised as follows. The next section relates our paper to the existing large-N literature on Council decision making. There is a substantial literature on this matter. The common denominator in most of this literature is the assumption that Council members are rational actors (Mattila, 2004; Zimmer, Schneider and Dobbins, 2005; Mattila, 2009; Thomson, 2009a).

The second section presents a simple theoretical account of voting in the Council. The purpose of this section is to explain why we may see such a high level of consensus if ministers simply vote in line with their issue-specific positions. We note that only successful legislation is recorded in the Council minutes concerning the (final) adoption of legal acts.<sup>1</sup> Cases where opposition actually has blocked the legislation at earlier stages in the decision making are not a part of our data set. Official voting records of adopted legislation thus under-report the actual aggregate level of disagreement in the Council.

The third section specifies the statistical model and the data we rely on for our investigation of Council voting. We combine positional data (Thomson et al., 2006) with voting records from the official minutes (Hagemann and Høyland, 2008), and employ a hierarchical probit model of

---

<sup>1</sup>see <http://consilium.europa.eu/documents/legislative-transparency/council-minutes>.

voting in the statistical analysis. The fourth section presents our results. The main result is that governments vote in line with their issue-specific positions. This finding is stronger when we impute the missing values in the positional data set. In the concluding section, we discuss the implications of our findings for research on legislative politics in the EU.

## RESEARCH ON COUNCIL DECISION MAKING

Research on voting in the Council has made substantive progress over the last decade. This is partly due to increased data availability. While earlier research had to rely on insiders' accounts and more indirect measures, the push towards transparency in EU affairs following the Amsterdam treaty has dramatically increased the accessibility of data on Council decision making (which can be illustrated by the difference in the amount of data reported in Hayes-Renshaw and Wallace (1997) and Hayes-Renshaw and Wallace (2006)).

There are two strands of studies in the quantitative literature on Council decision making that focus on the relationship between the Council members, i.e. the representatives of the member state governments. The first strand uses voting data, while the second uses positional data. Both strands seek to determine the spatial distances between the different Council members and to map which members have similar interests in the Council policy space. Both strands also share the same underlying theoretical assumption; Council members act in line with instrumental rationality and thus are assumed to behave in accordance with their preferences and beliefs. Actor alignment in the Council is a product of preferences and voting behaviour (e.g. Mattila, 2004; Zimmer, Schneider and Dobbins, 2005; Mattila, 2009; Thomson, 2009a). Bargaining success is more likely if an actor has less extreme preferences on issues that are salient to the actor (e.g. Golub, 2012; Cross, 2013).

Both strands employ splits in preferences or votes to uncover which policy dimensions are visible in Council decision making. A left-right dimension, a pro-anti integration dimension, a small versus big countries dimension, a north-south dimension, and an old versus new member states dimension are the most commonly detected dimensions (Mattila, 2004; Heisenberg, 2005; Zimmer, Schneider and Dobbins, 2005; Hayes-Renshaw and Wallace, 2006; Hagemann,

2007; Hagemann and Høyland, 2008; Mattila, 2009; Thomson, 2009*a*). Even so, there are disagreements between the two different strands on the strength of the findings and whether the identified structural dimensions are stable over time. Thomson, Boerefijn and Stokman (2004) emphasise the lack of structure in the positions of the actors. In their analysis of EU15, they only find weak evidence of a north-south dimension and a dimension where the EP and the Commission prefer more policy changes than the member states. Based on the same positional data source, Zimmer, Schneider and Dobbins (2005) find stronger evidence for a north-south dimension than Thomson, Boerefijn and Stokman (2004). Zimmer, Schneider and Dobbins (2005) relabel this dimension as re-distributive, a conflict between the net-contributors and the net-beneficiaries of the EU budget. The left-right dimension is, however, only weakly supported by this study. The two studies differ in the choice of statistical model and somewhat in their treatment of missing data. Thomson, Boerefijn and Stokman (2004) use multidimensional scaling while Zimmer, Schneider and Dobbins (2005) employ correspondence analysis. Both studies use some sort of mean-replacement of missing values but Zimmer, Schneider and Dobbins (2005) also delete issues with more than four missing positions.

Studies based on voting records (Mattila, 2004; Hagemann and Høyland, 2008) find more support for the left-right dimension and the pro-anti integration dimension than studies based on positional data. The importance of the ideological left-right alignment in the Council is illustrated by the fact that new governments seem to prefer different coalition partners to their predecessors (Hagemann and Høyland, 2008). After the eastern enlargement in 2004, a new-old alignment has been detected in both preferences and voting behaviour (Thomson, 2009*a*; Mattila, 2009). Although this type of dimension is identified in both strands of the literature, the differences between the new and old member states are not strongly supported by the available data.

The existing literature thus exploits the observable disagreements in Council decision making. However, these studies do not test whether the sources of disagreement in the two different data sources are interlinked. Similarities in the findings suggest that they are. However, a government may choose to vote yes despite preferring the status quo to the new policy. There are several possible explanations for such voting behaviour. Knowing that it will be outvoted, a

government may simply accept its loss quietly and hope that the loss will be compensated in future negotiations. König and Junge (2009) show that compensations in the sense of logrolling are a plausible explanation for the observed consensus in the Council. Governments can trade off utility across proposals that belong to the same policy area or proposals that are negotiated during the same time period. Choosing to be on the winning side of a vote may also be a government strategy in order to avoid unwanted attention from the media or the opposition at home.

Furthermore, the Commission preselects the proposals that the current configuration of Council members is most likely to adopt. Proposals that are likely to be contested by a majority of the Council members or by a majority of the members of the European Parliament (EP) are less likely to be initiated by the Commission. However, it does not have perfect information with regard to the distribution of preferences in the Council and the EP. The Commission thus has to withdraw proposals that fail to find sufficient support in the Council and the EP (Kreppel, 1999; Kreppel and Tsebelis, 1999). The Commission may of course also withdraw proposals due to other reasons than disagreement in the Council and the EP. The percentage of withdrawals is around 8 percent for the time span between 1976 and 2007 (Häge, 2011a). It is not unlikely that member states' voting behaviour on adopted legislation is different from their behaviour on non-adopted legislation. In fact, legislation only reaches the final stage if most of the conflict has already been solved (Mühlböck, 2011). Only final voting on adopted legislation is fully recorded in the minutes and the monthly summaries for the time frame considered in this paper.<sup>2</sup> Data on implicit voting at earlier stages in the process (at the working group level or the ministerial level) is not usually publicly available (Hayes-Renshaw and Wallace, 2006, 286). At the ministerial level, the Council presidency keeps track of the Council members' positions' and tries to strike a compromise. If a compromise is not reached, the proposal is referred back to the working group level and the informal voting result will not be recorded in the minutes (Mühlböck, 2011). Hence, our findings cannot say anything about the overall level of disagreement in the Council. However, the data may tell us whether the Council members are utility-maximizing agents that act in line with their positions on adopted legislation.

---

<sup>2</sup>The Council secretariat notes that the public votes database from 2006 and onwards is considered to have complete data on both final voting and voting on the common position under co-decision.

Our study departs from the previous ones in four explicit ways. First, we investigate explicitly whether there is a relationship between preference-based positions and voting behaviour. Second, we test whether the importance that a Council member attaches to the different issues of a proposal strengthens the relationship between (issue-specific) positions and votes. Third, we address whether different treatments of missing values in the positional data have an effect on the relationship between positions and votes. Fourth, by including negative statements in the no vote category we have more variation in our dependent variable (Council member *vote choice*) than König and Junge (2008, 2009) have when they compare predicted voting behaviour with observed voting behaviour. Coding negative statements as negative votes is not an uncommon choice in the Council voting literature (see Hagemann and De Clerck-Sachsse (2007) and Hagemann and Høyland (2008)). Issuing a negative statement is also a type of behaviour that signals a government's opposition towards the adopted policy. As a robustness check, we run the models without statements as a part of the dependent variable. The results are robust across all models.

## A SIMPLE THEORY OF VOTING IN THE COUNCIL

The underlying premise of the rational choice based literature on decision making in the Council is that governments have preferences over policies, and act with the aim of moving policies closer to their most preferred policy-outcome (ideal-point) or to prevent policies that are further away from their ideal-point than the current policy (the status quo) from being adopted. Non-cooperative game theoretic models of decision making in the EU have established the benefits of being agenda setters and veto players and the location of the decision outcome vis-a-vis the different actors under the different legislative procedures (Steunenberg, 1994; Tsebelis and Garrett, 1996; Crombez, 1996; Moser, 1996; Scully, 1997; Tsebelis and Garrett, 2000). Our theoretical approach builds upon this literature. However, rather than determining where on a dimension between the status quo and the Commission proposal a decision outcome is located under a given legislative procedure, we elaborate on when government  $i$  is more likely than not to record its opposition when voting on a legislative proposal.

If we assume that governments are sincere in their voting behaviour, and their utility-function is a symmetric loss-function around their ideal-point, we would then expect government  $i$  to support a new proposal if the utility of the new proposal is higher than the utility of the status quo.<sup>3</sup> Assuming that the new proposal lies to the right (left) of government  $i$  and the status quo to the left (right), government  $i$  will only support the new proposal if the distance between its ideal-point and the new proposal is smaller than the distance between its ideal point and the status quo. In other words, the midpoint between the new proposal and the status quo must be to the left (right) of the ideal point of government  $i$ . Assume that the Council has  $X$  governments and the voting rule requires that  $\bar{x}$  members need to support a proposal in order for it to be adopted. Only policies with midpoints located below the ideal point of government  $\underline{x}$  or above the ideal point of government  $\bar{x}$  can be adopted, any policy whose midpoint lies between  $\underline{x}$  and  $\bar{x}$  will not be supported by the necessary majority of governments see Figure 1.

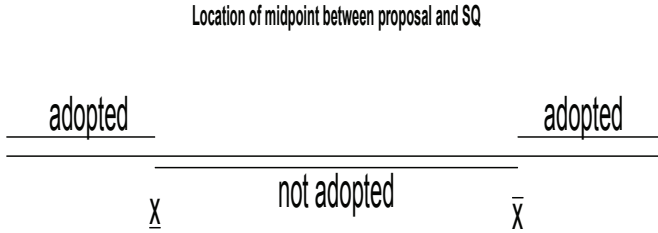


Figure 1: Cut-point figure. Any proposal whose midpoint is between  $\underline{x}$  and  $\bar{x}$  will not be adopted. For policy-moves to the right (left) the midpoint between the status quo and the proposal has to be to the left (right) of  $\underline{x}$  ( $\bar{x}$ ).

Furthermore, we will not observe any successful vote on proposals whose midpoint is located inside the interval between government  $\underline{x}$  and  $\bar{x}$ . If any such policy is proposed, it will not be adopted. If proposals are multidimensional, governments can trade gains on one dimension (issue) against loss on another. Governments may attach different salience to each dimension

<sup>3</sup>The assumption that voting behaviour is sincere can be discussed. Since we lack data on disagreement in the early stages of bargaining, the direct link between preferences and votes is not clear cut. However, to simplify the model we assume that voting behaviour is sincere.



(issue). Government  $i$  may hence compare the (salience-weighted) utility of a new proposal with the (salience-weighted) utility of the status quo, and cast a vote for the alternative that it prefers the most.

If positions and the salience that governments attach to the different dimensions are known, proposals that lack sufficient support will not be adopted, and any opposition recorded in the final minutes will not be able to prevent the adoption of a proposal. This may lead us to question why governments bother to record their opposition. By so doing, their only achievement is to demonstrate that they failed to prevent a proposal that they initially were against, from being adopted. However, as voting in this case is inconsequential, there are no strong theoretical reasons to expect governments opposed to the new proposal to refrain from opposing either. Furthermore, if there is some uncertainty regarding the positions of other governments and/or the salience these governments attach to their positions, voting in line with their own preferences can never be worse, and may sometimes be better, than always supporting the majority position. One reason for such behaviour may be to signal their position to outside actors, e.g. the European Parliament or the Commission, or to domestic constituencies and political opponents. Uncertainty about the voting decisions of other ministers may lead indifferent governments to prefer the status quo to the new proposal. They may thus realise that there is actually a chance of blocking the legislation, and thereby risk a potential loss by not voting against it.

Hence, member states vote in line with their (salience-weighted) issue-specific positions as they can never be worse off and will sometimes be better off by voting in such a manner:

$H_1$  Governments vote in line with their (salience-weighted) positions.

In the statistical analysis we thus expect to see that a positive utility of a proposal correlates with a positive vote while a negative utility of a proposal correlates with a negative vote. In other words, negative utility of a proposal should decrease the probability of voting in favour of this particular proposal.

## METHOD AND DATA

We combine positional data with corresponding voting data from the minutes of meetings in the Council in order to investigate whether issue-specific utility guides voting behaviour. We adopt a simple approach to exploring this relationship and do not control for other variables that may affect voting behaviour and thus remedy the effect of issue-specific utility. Including other independent variables in our model may distort the simplicity of our argument and can open up a range of additional selection issues. For example, controlling for the presidency would distort the effect of issue-specific positions if such positions also influenced which proposals the presidency put on the agenda. Also, whether an issue is decided as an A or B item may also be a function of the issue-specific positions of the governments. By keeping the statistical model as simple as possible, it is also applicable to similar contexts beyond the EU. Omitting EU-specific variables ensures that our findings also can be relevant for other consensual decision-making settings, for instance the World Trade Organization, the United Nations Security Council and the World Bank.

The first data set, “Decision Making in the European Union” (DEU), consists of member states’ policy positions on 174 controversial issues raised in 70 legislative proposals initiated by the Commission (Thomson et al., 2006). The information was collected through interviews with 125 experts. The legislative proposals were subjected to either the consultation procedure or the co-decision procedure. The proposals were introduced either during or before December 2000, and were on the agenda in 1999 or 2000. The Commission, the European Parliament and the 15 member states were assigned positions. The positions on each issue were estimated along a standardised policy scale with values between 0 and 100. The numerical differences between the actors reflect the political distance between them (Thomson and Stokman, 2003). The reference point (similar to the concept of status quo), the decision outcome of each issue, and the level of salience that each actor attached to each issue were also defined along this continuum. With regard to salience, a score of 0 indicates that the issue was of no importance while a score of 100 indicates that the issue could hardly be more important. If governments vary in the salience they attach to the different issues, failure to take this into account may

bias the results (Aksoy, 2012; Golub, 2012; Cross, 2013). Warntjen (2012) compares salience measures provided by text analysis and media coverage with expert interviews and argues that the latter may provide a more fine-grained and less ambiguous measure of salience.

The second data set contains the formal voting decisions and formal statements recorded in the Council minutes. The voting data are coded as binary decisions, and under qualified majority voting (QMV) both abstentions, negative votes and formal statements are coded as no votes in line with Hagemann and Høyland (2008). In practice, abstentions have the same effect as no votes under QMV. Statements are included in the no votes group because these statements often consist of direct disagreement or serious concerns with regard to a proposal, and may be used to signal that the representative has stressed her position on a piece of legislation but was reluctant to take a more drastic step and prevent consensus (Hagemann and De Clerck-Sachsse, 2007; Hagemann, 2008). Formal statements are made following the adoption of a proposal and are included in the Council minutes or posted on the Council website. In the data set negative votes are coded as 0 and yes votes as 1.

	dissent final	dissent all	with statements final	with statements all
Austria	2	2	2	2
Belgium	3	3	3	3
Denmark	1	1	2	2
Finland	0	0	2	2
France	1	1	2	2
Germany	2	2	2	2
Greece	1	1	3	3
Ireland	0	0	0	0
Italy	0	0	3	3
Luxembourg	2	3	2	3
Netherlands	3	4	4	5
Portugal	2	2	5	5
Spain	3	4	4	5
Sweden	0	0	1	1
UK	3	3	3	3
Total	23	26	38	41

Table 1: Negative votes and negative votes and statements for the 46 proposals in the Council minutes with and without any additional non-final votes.

One objection to the choice of including negative statements in the negative votes category is

that this type of disagreement may already be captured by the position-based variable. However, since issuing a statement is a distinct type of behaviour that departs from complete endorsement of the adopted proposal, we argue that acting upon a preference-based position can be done in the form of voting no, abstaining, or making a negative statement. Furthermore, interview data reveals that the increased usage of formal statements is a way of showing disagreement without creating gridlock (Hagemann and De Clerck-Sachsse, 2007). To make sure that our findings are not a result of this particular choice of coding scheme, we run our models both with and without negative statements. Table 1 shows the frequencies of negative votes across the member states. Columns 3 and 4 include negative statements while columns 2 and 4 also include any additional negative votes retrieved from, if applicable, the non-final voting stage under the first reading of the co-decision procedure.<sup>4</sup> All four variations of our dependent variable are tested in the statistical analysis.

Dissent in published Council votes is rare. On the 46 pieces of legislation, that we were able to identify in the Council minutes that matched exactly with the DEU data set, there were only 38 dissents in total (numbers from column 3 which includes negative statements). The number of negative votes on any particular legislation ranged from 0 to 5. From these votes, Portugal opposed 5 times while Ireland always voted in favour of the proposal. The choice of including negative statements increases the mean of dissents from 0.5 to 0.8 (columns 1 and 3) or from 0.57 to 0.89 if we take all negative votes into account (columns 2 and 4).

In the positional data set, the locations of the reference points (the policy that will prevail if no agreement can be reached) and the decision outcomes (the new policies) are used to determine member state loss and gain with respect to their position on each issue. The reference point bears a close resemblance to the status quo concept, although differs from the normal usage in the sense that for some proposals, a no agreement situation will lead to a breakdown of the existing arrangement (status quo) rather than the continuation of this arrangement (Thomson et al., 2006). 46 out of 70 policy proposals are listed in the Council minutes as concerning the final adoption of legal acts. These 46 proposals had 118 issues. Information in the Coun-

---

<sup>4</sup>The non-final voting stage (the adoption of the common position in the Council) of the co-decision procedure is only applicable to the co-decision proposals that were adopted at later stages than the first reading. The votes on the common positions are retrieved from the Monthly summaries of Council acts, see <http://www.consilium.europa.eu/documents/legislative-transparency/>.

cil minutes on the adoption of legal acts is missing for the remaining 56 issues nested in 24 policy proposals. Some information on these 24 proposals can be retrieved from the monthly summaries of Council acts (i.e. adoption date, voting rule, and whether the proposals were adopted with or without EP amendments in any second reading under co-decision). However, for reasons of data consistency we only employ the proposals listed in the Council minutes in our analysis.

	missing positions	missing saliency
Austria	16	7
Belgium	8	0
Denmark	8	3
Finland	10	3
France	3	1
Germany	3	0
Greece	11	5
Ireland	8	1
Italy	5	1
Luxembourg	20	11
Netherlands	7	1
Portugal	7	1
Spain	4	0
Sweden	8	0
UK	4	1
Total	122	35

Table 2: Missing data on 118 issues in the DEU data: Positions and salience.

With regard to the extent of missing values in the DEU data (Thomson et al., 2006), Table 2 provides an overview of missing information on issue-specific positions and issue-specific salience estimates for the 46 proposals in our data set. Of the 118 issues, the positions of Luxembourg and Austria are missing on 20 and 16 issues, respectively. The interviewers also did not obtain the salience measure on 11 issues in the case of Luxembourg and 7 issues in the case of Austria. These two member states are thus the ones with most missing values in the DEU data set. In total 122 out of 1770 issue positions are missing, or about 6.9 percent. While this level of missingness is not exceptionally large by political science standards, it is not ignorable. Researchers relying on this data set therefore need to make some decisions on how to address this issue before proceeding with the analysis. Some of the chosen approaches are

summarised in Table 3. Note, that the different choices of the previous studies are contextual. Some studies need complete positional data to investigate their research question, while others do not.

The most common approach when working with the DEU data set, taken for example by Selck and Steunenberg (2004) and Zimmer, Schneider and Dobbins (2005), is to delete issues if there are missing values on more than four member state positions. The remaining missing values are then replaced by either the position of the Commission or the mean score between the reference point and the Commission's position. The underlying assumption here is that member states that were not assigned a position during the expert interviews were neutral actors on these issues. While a mean/fixed value replacement approach is not uncommon when dealing with missing data, it has been criticised by statisticians (Little, 1992) and political methodologists (Honaker and King, 2010) alike. The key criticism with this approach is that it ignores the uncertainty by treating unknown data as if it is known.

The other alternatives to handling missing data are list-wise deletion or some multiple imputation technique. König, Finke and Daimer (2005) advocate the use of multiple imputation as being far better than list-wise deletion when handling missing positions, and subsequently test different ways of imputing missing actor positions. This study employs collected information on the positions of the actors involved in EU constitution building (DOSEI project) and includes several data sources including the DEU data set. The analysis identifies a selection bias. Actors strategically hide their positions when they expect to receive more concessions. This finding indicates that missing values are more extreme than the observed values. Actors without positions hide their positions for strategic purposes (König, Finke and Daimer, 2005). It is therefore debatable whether missing positions are extreme or neutral.

Arregui and Thomson (2009) show that large member states have fewer missing positions than small member states in the DEU data set. They argue that this is due to the small member states being indifferent to more issues than large member states, as they are affected by fewer issues. Furthermore, some missing positions can be explained by the lack of relevance of a particular issue for the actors in question (Thomson, 2011). While there are good reasons for considering missing positions as neutral positions, we can never be sure that actors with missing

study	missing treatment
Selck and Steunenberg (2004)	missing replaced with Commission position list-wise deletion $\geq 5$ missing positions
Zimmer, Schneider and Dobbins (2005)	missing replaced by mean score between reference point and Commission position list-wise deletion $\geq 5$ missing positions
König, Finke and Daimer (2005)	3 different measures: 1) multiple imputation (Amelia) 2) measure of indifference 3) conditional averaging algorithm
König and Junge (2008, 2009)	multiple imputation (Amelia)
Thomson (2011)	mean average of all positions

Table 3: Treatment of missing values in positional data across studies.

positions are in fact indifferent to these issues. Missing positions in the DEU data can also be due to the policy experts not remembering the actual positions of certain actors (Thomson et al., 2006). Hence, multiple imputation, which takes the uncertainty of missing data into account, may be a better alternative than replacing missing values with the mean or some other fixed value (i.e. the position of the Commission). However, Thomson (2011, 42) argues that multiple imputation is inappropriate due to the large variation in actors' positions across issues, and resorts to mean-replacement or list-wise deletion in his study. This criticism would hold if we impute one actor's missing positions on the basis of this actor's positions on other issues. Our approach to missing data is similar to that of König, Finke and Daimer (2005) in that, unlike mean-replacement, it takes the associated uncertainty into account. However, it differs with regards to how it is implemented. The standard multiple imputation approach uses the variables in the data set. In the case of König, Finke and Daimer (2005), it is augmented by additional information from extant data. The method fills in estimated values for missing data in multiple data sets prior to the analysis stage and assumes that the data are distributed multivariate normal. If the data are categorical, they are recoded into appropriate categories (for a critique and an alternative approach, see Cranmer and Gill, 2013). It then runs an analysis on each individual data set and reports the average effect and standard error. In contrast, the Bayesian approach treats missing data as parameters to be estimated alongside the other parameters in the model. The only assumption we make is that missing positions and salience data are uniformly distributed

between 0 and 1.<sup>5</sup> Following this, for each iteration of the Monte Carlo Markov chain, the values of all parameters are updated conditional on the existing data, and the parameter estimate of the missing data and on other parameters of the model (for an introduction to missing data imputation in the Bayesian framework, see Gelman and Hill, 2007, 529 - 543).

Only if data are missing completely at random (MCAR) is it safe to use list-wise deletion. Missing completely at random means that 'none of the data collected or missing are relevant for explaining the chance of missingness' (Congdon, 2005, 380). In most cases, that is a fairly strong assumption. List-wise deletion, the default in most statistical software, implies that all rows with missing data are deleted from the data set. The best indication that this approach is taken is a varying number of cases across different model specifications.<sup>6</sup> One can also critique the other popular method of replacing missing data with the mean or some other typical value. This approach is motivated by the interest of preserving all the cells in the data set. Proponents of this approach argue that it is conservative as it should increase the likelihood of finding insignificant results. However, by replacing the missing value with a single value, which is unlikely to be correct, the level of uncertainty regarding the actual value is underestimated. Biased results may thus follow. In the frequentist framework, multiple imputation (i.e. as implemented by the Amelia missing data program) is an appropriate approach (Honaker and King, 2010; King, Honaker, Joseph and Scheve, 2001; König, Finke and Daimer, 2005), given that data are missing at random (MAR), meaning that missing values on one variable can be predicted from the values on the other variables. In the Bayesian approach, missing values are predicted from the values on the other variables and the prior distributions on an iteration by iteration basis. If some of the predictors have missing values, it is sufficient to assume a prior distribution for the predictor in order to impute values.

The requirement is that the MAR assumption holds. However, if missing data are not ignorable and are not missing at random (NMAR), it is necessary to model the process that generates missingness in order for data to become MAR. The key is to model the process that governs

---

<sup>5</sup>We rescale positions and salience estimates by dividing by 100, see the Statistical models section. Hence, we assume that the missing values are also distributed between 0 and 1. The original distribution of the measures is between 0 and 100 as mentioned before.

<sup>6</sup>In our positional data set that can be matched with the Council minutes, list-wise deletion reduces the number of rows in the data set from 118 to 56. Only 0.47 of the original data set remains for analysis after the list-wise deletion.



whether data are observed or missing. There are two main approaches, either by using auxiliary variables to model the missing-generating process, or by relying on a simplified selection model (Little and Rubin, 2002). It may, however, be difficult to justify the model for missingness, or collect the auxiliary variables needed to model it properly. Consequently, we do not attempt to model the latter process (NMAR) in this paper. Instead we investigate whether the choice of missing data treatment has an effect on the main results. We thus compare models where issues with more than four missing member state positions are deleted and the remaining missing positions are assigned a neutral position with models employing the Bayesian imputation of missing values. The underlying assumption of the latter framework is that data are missing at random (MAR), i.e. random after controlling for the co-variate. By estimating the value multiple times, a random element ensures that the values vary across the data set, thereby ensuring that imputed observations have more uncertainty than the observed observations. We use the Bayesian approach assuming that missing data are drawn from a known distribution or explicitly modelled. Missing values on the dependent variable are imputed iteratively on the basis of the predictors in the model, while missing data in the predictors must be modeled explicitly. The latter is commonly achieved by simply assuming a prior distribution of the predictor. The main advantage of the Bayesian approach for our problem is the flexibility it allows in the modeling of missing data. Furthermore, it is also easier to handle multiple, and a varying number of, issues per vote in this framework. Next we elaborate on our choice of statistical model and our treatment of missing values in the positional data.

### *Statistical models*

We model *vote choice* as an absolute loss function of the salience-weighted issue-specific utility of the outcome compared to the reference point (rp):

$$y_{(i,k)}^* = \beta_1 + \beta_2 * utility_{(i,k)}$$

where  $\beta$  is distributed multivariate normal, with prior mean 0 and precision .001.

$$utility_{(i,k)} = ||(salience_{(i,j)} * (position_{(i,j)} - rp_j))|| - ||(salience_{(i,j)} * (position_{(i,j)} - outcome_j))||$$

We run two series of models:

1. The baseline model replaces missing positions with the mean score between the Commission and the reference point if less than five positions are missing, list-wise deletion otherwise. No imputation of missing reference points.
2. The full imputation model imputes missing positions and missing reference points.

Both types of models are run with and without salience-weights and with and without formal statements as a part of our dependent variable (*vote choice*). The relationship that we are interested in testing is the one between salience-weighted issue-positions and voting behaviour. As there may be multiple contested issues on a given piece of legislation, but only the opportunity to support or oppose the legislation as a whole, we use the mean of the salience-weighted change in utility across the issues mentioned on each piece of legislation. The change in utility is calculated by subtracting the absolute difference between the position of government  $i$  and the new policy from the absolute difference between the position of government  $i$  and the reference point.<sup>7</sup> This difference is then multiplied by the salience government  $i$  attached to the issue. For each piece of legislation, we calculate the mean of these salience-weighted differences. Both the positions, including the reference point and the new policy, and the salience estimates are divided by 100, thereby making the values range from 0 to 1.

Failure to properly account for the missingness in the positional data may seriously bias the results.<sup>8</sup> We contrast the standard approach to modeling missing values in the DEU data (Selck and Steunenberg, 2004; Zimmer, Schneider and Dobbins, 2005), i.e. a combination of

---

<sup>7</sup>It is possible to employ other measures of issue level utility (i.e. a city block measure or weighted Euclidean distances) than the measures employed here. These measures are more complex than the chosen mean approach. Given the limited number of proposals in our data set, we will leave the exploration of other utility measures to further research.

<sup>8</sup>When employing the conservative measure (without formal statements as part of the no category) of our dependent variable *vote choice*, three proposals have missing positions and/or salience estimates for one or more member state(s) that engaged in negative voting behaviour on these particular proposals. These cases (CNS/1998/347, COD/1999/244, and CNS/1996/115) illustrate why it is feasible to model missing values explicitly.

list-wise deletion and mean-replacement, with a multiple imputation approach. Issues where the reference point is missing are usually deleted in the previous studies. The reason for doing this is that one cannot assume that the reference point location of one proposal is determined by that of other proposals (König and Junge, 2008, 2009). However, it is possible to impute the reference point on basis of the possible distribution of positions (0-100) within an issue. The full imputation model implements such an approach while the baseline model deletes issues where the reference point is missing. Several objections to the imputation of missing reference points can be raised. Missing reference points may, for instance, be due to the fact that existing national policies vary across member states. Hence, it is difficult to determine what the actual reference point will be if the legislation fails. This uncertainty is, however, partly accounted for by the multiple imputation framework. Achen (2006) shows that the reference point is less influential than the procedural modelling tradition implies that it is. The reference point plays only a minor role in the negotiations if the decision outcome is far away from the reference point. The location of the decision outcome can thus be said to be more important when determining the utility loss of a government than the location of the reference point. Hence, we will argue that imputing reference points are acceptable as long as we have the location of the decision outcome on each issue. Note that our baseline model does not impute any missing reference points and thus serves as a robustness check. All models are estimated using the Markov Chain Monte Carlo (MCMC) simulation. We ran 150 000 iterations, discarding the first 50 000. Standard convergence statistics indicate that all models had converged on the target distribution.

## RESULTS

The results need to be interpreted in light of the case selection. Only controversial proposals are included in the DEU data sample (Thomson et al., 2006). The case selection could potentially bias the results. However, since the variation in preference distribution is likely to be greater when bargaining on a controversial proposal and such a proposal cannot be adopted without the support of most (or all) of the governments, this bias is likely to be a conservative one. An analysis using less controversial proposals may find a stronger relationship between positions and

votes. Accordingly, the negotiations on uncontroversial proposals may result in fewer policy losers and thus more policy winners than the negotiations on controversial proposals.

Tables 4 and 5 present the results. The main finding is that issue-specific positions can account for the variation in voting patterns that we observe in the Council. We find support for the main hypothesis advanced in this paper [ $H_1$ ]. The effect of utility on voting is positive and robust across all models regardless of missing treatment, coding scheme of the dependent variable, and salience-weighting of the positions. In Tables 4 and 5, the effect of utility is distinguishable from zero in all models. The 95 percent credibility interval does accordingly not overlap zero.

The effect of issue-specific positions is substantively larger in the models that impute all missing values than in the baseline models. This suggests that standard approaches to studying decision making in the Council may not capture the full effect of preference-based positions, in particular if the problem of missing data is ignored. When the baseline approach to modeling missing data is employed, only 68 percent of the data set remains after deleting issues with missing reference points and/or more than four missing member state positions. Hence, the full imputation approach ensures more data while at the same time taking the uncertainty of the distribution of missing values into account. This results in a stronger relationship between positions and votes.

	Baseline		Full imputation	
	Constant	Positions	Constant	Positions
Final round votes	1.811 (0.098)	0.624 (0.207)	1.791 (0.096)	0.894 (0.278)
All round votes	1.748 (0.093)	0.606 (0.2)	1.731 (0.091)	0.918 (0.269)
Final round votes and statements	1.748 (0.094)	0.606 (0.202)	1.543 (0.08)	0.568 (0.223)
All rounds votes and statements	1.512 (0.079)	0.389 (0.167)	1.503 (0.079)	0.601 (0.221)
Number of proposals	44	(80 issues)	46	(118 issues)

Table 4: Baseline and full imputation models: Effect of positions on voting

We will now discuss the estimates in more detail before moving on to the substantive ef-

	Baseline		Full imputation	
	Constant	Positions	Constant	Positions
Final round votes	1.826 (0.098)	1.067 (0.326)	1.823 (0.1)	1.879 (0.476)
All round votes	1.762 (0.094)	1.017 (0.317)	1.761 (0.095)	1.902 (0.46)
Final round votes and statements	1.764 (0.094)	1.014 (0.316)	1.552 (0.08)	1.268 (0.389)
All rounds votes and statements	1.521 (0.079)	0.687 (0.27)	1.51 (0.079)	1.324 (0.385)
Number of proposals	44	(80 issues)	46	(118 issues)

Table 5: Baseline and full imputation models: Effect of salience-weighted positions on voting

fects. Tables 4 and 5 compare the results from four different model specifications with (salience-weighted) issue-specific positions as a predictor for voting decisions under two alternative approaches to treatment of missing data; the baseline model (a combination of list-wise deletion and mean/fixed value replacement) and a full imputation model. The effect of positions is positive across all models. However, the effect is stronger in the full imputation models where missing values are imputed on an iteration by iteration basis (which preserves the uncertainty) than in the baseline models where observations with missing data are either excluded or replaced with the mean value between the reference point and the Commission (governments with missing positions are hence assigned a neutral position). This shows that disregarding missing positions may bias results (cf. König, Finke and Daimer, 2005). In this case, the choice of non-imputation may underestimate the existence of preference-based voting in the Council. The effect of positions on voting is almost consistently stronger when full imputation is applied. The only exception is when the positions are not salience-weighted and the no vote category of the dependent variable includes final votes and statements (see the third row in Table 4). When this coding scheme is applied, the choice of missing treatment is almost inconsequential.

While the choice of missing treatment has a substantial effect on the results, the different coding schemes for the dependent variable *vote choice* matter less. For the baseline models, the effect of utility is almost the same across all model specifications except when all possible opposition is included in the no category of the dependent variable (all votes, including first round of co-decision and statements). In the full imputation models, the effect of utility on

voting is somewhat greater when negative statements are not included in the no vote category of the dependent variable. Even so, the effect is still stronger in the full imputation models than in the baseline models (apart from the exception already mentioned above). Compared to the baseline model, the effect doubles when positions are salience-weighted and all possible variation is included the dependent variable (see the last row in Table 5). In the full imputation models, the finding that the effect of positions on voting is stronger when statements are not included in the dependent variable is interesting. A plausible explanation for this finding may be that while government *i* votes down a proposal as a whole, it may issue a negative statement directed toward a specific issue within a proposal. If the latter is the case, government *i*'s mean position on all issues within a proposal can be positive, while the vote choice under this particular coding scheme will be negative if it is issuing a negative statement on a particular issue in a multi-issue proposal. Our results indicate that such a scenario occurs but that it does not happen often enough to significantly affect the results.

There is a substantial difference between the baseline models and the full imputation models when we calculate the predicted probabilities to vote against or in favour of a proposal under a given scenario. In the model where we only consider final round votes, a government that gains 75 points on the original 0-100 scale (.75 on our scale) by the new proposal will have a predicted probability of voting in favour of .99 in the baseline model and .994 in the imputed model. However, if the government stands to lose 75 points (.75 on our scale) the predicted probability of voting in favour only drops to .91 in the baseline model, while it drops to .854 in the imputed model. The effects and the differences in effects are even larger when salience is taken into account. Again, considering only final round votes (not statements) the predicted probability of voting in favour if the new proposal offered an improvement of 75 points (.75 on our scale) is .996 in the baseline model and .999 in the imputed model. By contrast, if the new proposal makes a government 75 points worse off (.75 on our scale) the baseline model has a predicted probability of .847 of voting in favour, while the imputed model has a predicted probability of only .66. This shows that the failure to account for the generation of missing positional data may lead to erroneous conclusions regarding the effect of issue positions on voting behaviour. In this case, it seems like mean replacement actually under-estimates the

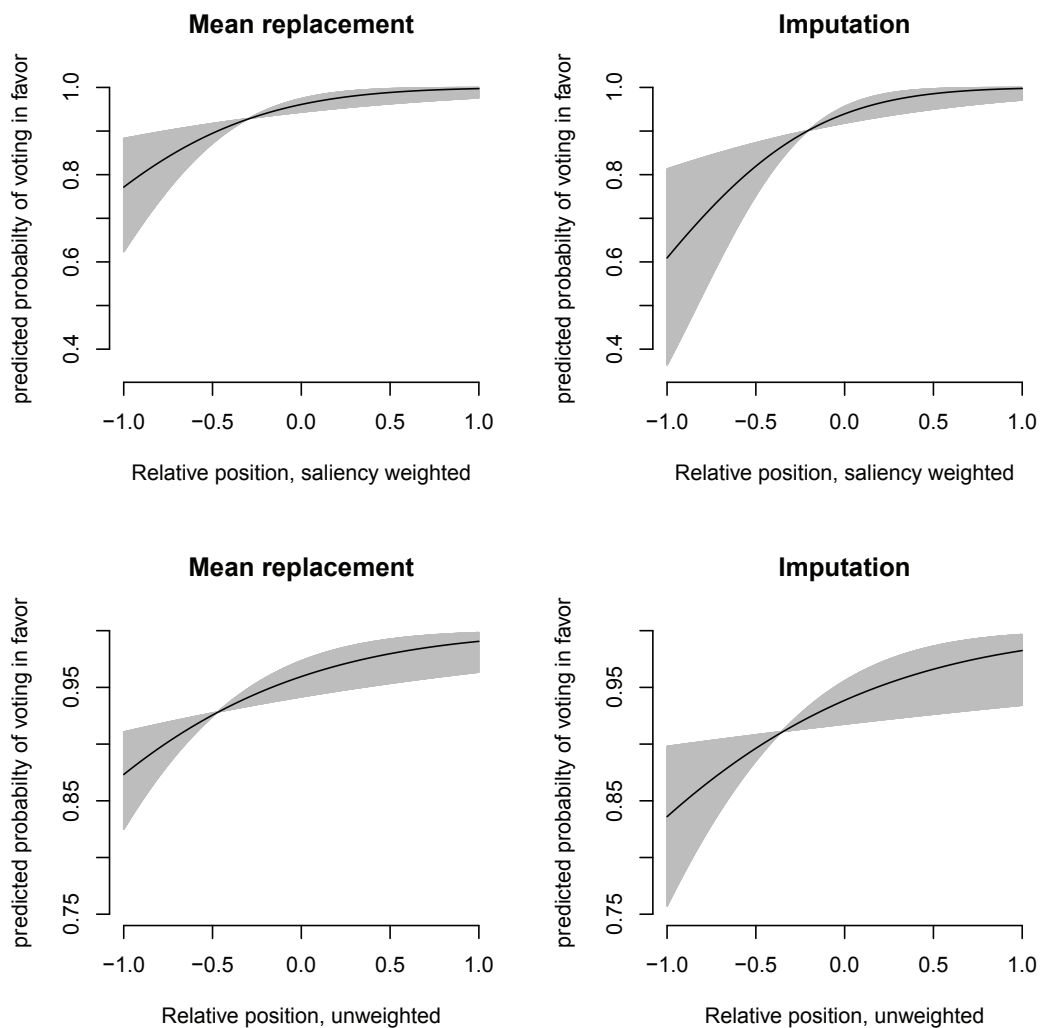


Figure 2: The figure compares the predicted effect of relative position under mean replacement (left) and imputation (right) for salience weighted (upper) and unweighted (lower) policy positions. The calculations are based on the models where the dependent variable is final stage voting (not statements).

effect of positions on behaviour.

Figure 2 plots the effect of relative position on the probability of supporting the proposal. The left side of the figure shows these effects when the baseline model applies. The right side of the figure shows these effects when positions are imputed on an iteration by iteration basis. The upper row shows results for salience-weighted positions, while the lower row shows the results in the case where the positions are not weighted by salience. There are three key insights. First, relative positions matter for observed voting in the Council. Second, the effect is stronger when the models include salience. Third, the estimated effects are larger when missing data are imputed. Nevertheless, a key feature of the figure is also the high predicted probability of voting in favour of the proposal, regardless of the relative position, which serves as a reminder that we only observe disagreement on adopted legislation. It is clear that the governments, regardless of their issue-specific policy positions, have a higher probability of voting yes than no. However, as already alluded to, our data set does not include any votes on proposals where the Council fails to find a qualified majority. In other words, the models are only able to provide estimated probabilities that are conditional on the legislation actually being adopted. Our research design thus limits the scope of research to the link between stated preferences and actual observed voting. In order to understand the full effect of positions on voting, we would need verifiable information about the location of any alternative proposals that are considered during the legislative process.

## CONCLUSION

We have investigated whether members of the Council vote in line with their salience-weighted issue positions. Our results show that rational utility-maximizing behaviour can account for the voting behaviour of the governments. In other words, preferences and voting behaviour are connected to each other. Hence, rational choice explanations of Council decision making are just as valid as consensus explanations. Although the outcome of bargaining tends to be consensual, such an observation does not equal that governments vote against their preferences. This is an interesting finding in itself which also may be applicable to other consensual decision-



making bodies like the World Trade Organization, the United Nations Security Council and the World Bank.

Preference-related voting behaviour may also be said to increase the democratic legitimacy of EU decision making. It shows that bargaining does not fully erase the preferences of the governments, and that governments seek to pursue the interests of their domestic constituencies throughout the decision-making process. Showing that preferences are associated with the voting stage is the first contribution that our analysis makes to the existing literature. The similarities in the findings between studies that employ voting data and studies that employ preference-based data are thus validated by our analysis. The second contribution is that different treatments of missing data have an effect on the main findings. The relationship between preferences and votes is stronger when missing values in the positional data are imputed in an iterated fashion. Furthermore, our findings also indicate that the salience attached to the proposal by the individual governments matters for their voting behaviour. The relationship between preferences and voting behaviour is stronger when we control for salience.

Recorded Council votes are neither in any meaningful sense a random sample nor do they represent the universe of all decisions taken in the Council within the time-frame of the study. Instead, they represent a biased selection, as only votes on legislation that are adopted enter into the data set. This means that the observed consensus culture in the Council may be a product of this selection bias. When opposition is successful, legislation will not be adopted. The high level of consensus in the Council may also be a combination of the following: 1) mainly uncontroversial legislation is adopted and 2) governments put forward a show of unity rather than voting sincerely. A model that incorporates the selection bias may capture whether this is actually the case.

While observers of voting in the Council are surely aware of the selection bias in the reported votes, no one has explicitly modeled voting in the Council in a selection model framework. We believe that future research can benefit from incorporating selection aspects explicitly into the analysis. This can be done by modeling the processes that determine whether data are observed or missing (NMAR). Incorporating a simplified selection model into the statistical analyses is an example of how this approach can be implemented (Little and Rubin, 2002). Such an

approach requires that we have information on votes that were not taken because of the majority requirement, or if taken, failed to meet this requirement. It would also be useful to supplement voting data with indicators of dissent that are less prone to the same selection bias, for example data on implementation of EU legislation (König and Luetgert, 2009; Luetgert and Dannwolf, 2009; Zhelyazkova and Torenvlied, 2009).

Selection bias is not confined to Council voting; it may also affect research on roll call voting in the EP (Carrubba, Gabel, Murrah, Clough, Montgomery and Schambach, 2006; Carrubba, Gabel and Hug, 2008, 2009). Selection models could be incorporated into a general framework in order to investigate the extent of the potential selection bias in EP roll call votes.

# Incomplete information and bargaining in the EU: An explanation of first-reading non-agreements<sup>i</sup>

Vibeke Wøien Hansen<sup>ii</sup>

## ABSTRACT

According to the logic of standard veto bargaining models with complete information, bargaining in the European Union (EU) should never reach the second reading of the ordinary legislative procedure (co-decision). Even so, non-agreement at the first reading occurs frequently in EU decision making. How can this be explained? Drawing upon game theory on bargaining with incomplete information, two specific predictions with regard to the occurrence of first-reading non-agreements can be generated. First-reading agreements are less likely to occur (1) the greater the distance between the ideal point of the Council and the ideal point of the European Parliament (EP), and (2) the greater the salience attached to the proposal. This paper combines positional and proposal-specific data and finds robust support for both hypotheses in two different empirical tests.

**Keywords:** Bargaining, Council, Decision Making, EP, Incomplete information, Preferences, Salience

---

<sup>i</sup>This paper received a “revise and resubmit” decision from *European Union Politics* on December 13th, 2013. An earlier version of this paper has been presented at a departmental research seminar in October 2013 at the Department of Political Science, University of Oslo. I thank the participants, in particular Øivind Bratberg, Carl Henrik Knutsen, Tatjana Stankovic and Håvard Strand, for their useful comments. The author’s research was funded by the Research Programme on Democracy at the University of Oslo.

<sup>ii</sup>PhD candidate, Department of Political Science and Research Programme on Democracy, University of Oslo. Email: v.w.hansen@stv.uio.no

The basic game-theoretic model of veto bargaining infers that when all actors are completely informed about the preferences of the other players, vetoes should not occur. This is because the agenda setter can choose to propose the policy closest to its own ideal point that will also be approved by the veto player (Cameron and McCarty, 2004). According to this logic, bargaining with the possibility of extending to more than one round would always be completed in the first round. The necessary assumption here is complete information. Studies on European Union (EU) decision making usually assume that actors have complete information with regard to the other actors' positions in the bargaining (Tsebelis, 1994; Steunenberg, 1994; Crombez, 1996; Moser, 1996; Scully, 1997; Tsebelis and Garrett, 2000; Crombez and Hix, 2013).

This assumption makes it easier to model the bargaining process, but nevertheless, some empirics are contrary to it. According to the basic veto bargaining models, when the main decision makers in the EU (the Council of Ministers and the European Parliament (EP)) have complete information with regard to each other's preferences on co-decision legislation, we should never observe legislation that is adopted at later stages than the first reading. This because a "no agreement" under the first reading is costly and can be prevented by striking a deal that suits the configuration of preferences within the Council and the EP. However, legislation is frequently adopted at later stages than the first reading. In the 5th and 6th European Parliaments (1999-2009) 53 percent of the co-decision proposals were completed at the first reading (Toshkov and Rasmussen, 2012).

Hence, the assumption of complete information can be relaxed in the EU context. While the Council presidency keeps track of the various Council members' preferences on a particular piece of legislation, the presidency is not necessarily informed of the exact preference distribution in the EP. The same holds for the party group leaders within the European Parliament (EP). They may have control over the preference configuration within their own group but are likely to be less informed on the preference configuration within the Council and within other party groups inside the EP. While the EP negotiates in public, Council debates are traditionally conducted in a less transparent manner (Stasavage, 2004). This means that the Council may know more about the EP than the EP knows about the Council. If preferences were completely known inside and across institutions, we would only observe first-reading agreements as

bargaining costs increase with the number of decision-making rounds. Nevertheless, empirics show that agreement is reached at all stages in the co-decision procedure. Tsebelis and Garrett (2000) argue that complete information only exists in the final rounds of EU decision making. By then the actors have had the opportunity to learn about each other in previous rounds of bargaining.

This paper thus relaxes the assumption of complete information in EU bargaining in order to explain incidences where first-reading agreement cannot be reached across the institutions. Drawing upon veto bargaining theory with incomplete information (Cameron and McCarty, 2004), two specific predictions regarding the occurrence of first-reading non-agreement can be generated. First-reading agreements are less likely to occur (1) the greater the distance between the Council pivot and the median position of the European Parliament (EP) and (2) the greater the salience attached to the proposal. Both expectations are tested by two different tests in this paper. The first test utilises positional data on 183 issues nested in 64 proposals adopted before and after the 2004 enlargement (Thomson et al., 2006, 2012). The second test merges various data sources at the proposal level in order to investigate whether the expectations also hold for a larger data sample which includes other operationalisations of the substantial predictors and important control variables (Häge, 2007, 2011a; König and Luig, 2012). Both tests find robust evidence for the empirical predictions generated from veto bargaining models with incomplete information.

First-reading agreements are negatively associated with high salience and large differences in preferences between the EP median and the Council pivot. Hence, while other studies on early agreement in the EU emphasise the democratic drawbacks of this type of decision making (e.g. Farrell and Heritier, 2003; Häge and Kaeding, 2007; Reh et al., 2013), this analysis contributes to the positive aspect of the debate as highly salient and controversial cases are associated with more transparent decision-making modes.

The remainder of the paper is structured as follows. The next section presents a brief literature review on early agreement and co-decision bargaining in the EU. The theoretical framework based on veto bargaining under incomplete information is outlined in section 3. This framework is based on Cameron and McCarty (2004). The data and method employed are addressed in sec-

tion 4. The analysis utilises data from both the issue level and the proposal level and thus draws upon a variety of data sources (Thomson et al., 2012; Häge, 2011a; König and Luig, 2012). The results from the logistic regression analyses are presented in section 5. Both tests provide robust support for the theoretical framework. The last section draws conclusions and discusses the impact of the identified micro-level factors on bargaining and legislative agreement across the EU institutions.

## CO-DECISION BARGAINING AND EARLY AGREEMENTS IN THE EU

The co-decision procedure was introduced under the terms of the Maastricht Treaty (1992). One of the main reasons for establishing this procedure was to empower the EP and hence to increase the democratic legitimacy of the EU (Crombez, 1997). The reform of the co-decision procedure by the Amsterdam Treaty in 1999 not only made the EP and the Council of Ministers (hereafter the Council) coequal legislators, it also paved the way for early agreements in the first reading of the procedure (Farrell and Heritier, 2003). About one-third of all dossiers decided under this legislative procedure in the fifth term of the EP (1999-2004) were so-called fast track legislation completed at the first reading (Rasmussen, 2011). The growing number of first-reading agreements has spurred discussion on possible negative consequences on democracy (Farrell and Heritier, 2003, 2004; Shackleton and Raunio, 2003). First-reading agreement means that the Council and the EP have reached an informal compromise before the legislation reaches the plenary stage in the EP at the first reading stage. This informal process is called “trialogues” since representatives from the three legislative institutions, the Commission, the EP and the Council, are involved. Bargaining in trialogues has been criticised for lack of transparency and for shutting minority interests out from the negotiating table (Farrell and Heritier, 2003; Häge and Naurin, 2013).

Despite this type of criticism, empirical studies investigating factors that determine early agreements paint a mixed picture of the democratic consequences of fast-track legislation. On the positive side for democratic legitimacy, early agreements are less likely to take place the greater the distance between a rapporteur from a large party group and the EP median (Ras-

mussen, 2011). Furthermore, the Council presidency cannot exploit informal negotiations in trialogues in order to secure policy gains (Häge and Naurin, 2013; Reh et al., 2013). Policies reached early on are no closer to the positions held by the main informal actors, the Council presidency and the EP rapporteur's party group, than policies reached at later stages (Rasmussen and Reh, 2013). There is also evidence for the EP, under co-decision, having more influence on early agreements than on agreements reached in the conciliation committee at the end of the procedure (Häge and Kaeding, 2007). The logic behind this empirically supported theoretical argument is that the Council prefers to conclude early over agreement in the conciliation committee, in which costs are greater for the Council than for the EP (due to the former's limited time and resources).

Although the above findings do mitigate the criticism of fast-track legislation to some extent, several studies also find negative consequences of early agreements on democracy. For instance, when the legislative workload and the number of negotiators increase, decisions are more likely to be taken at an early stage (Reh et al., 2013). While the efficiency gains of concluding early are indisputable, the legislative transparency and minority legitimacy suffer. The democratic accountability is also reduced due to the ministers being less involved in bargaining on fast-track legislation than in bargaining at later stages of the co-decision procedure (Häge and Naurin, 2013). Instead, Council bureaucrats negotiate early agreements on behalf of the ministers.

This paper endeavours to contribute to this debate by particularly investigating the effects of preference divergence and salience on early agreements. While preference divergence and salience have been investigated thoroughly for other research questions related to EU bargaining and decision making (e.g. Thomson et al., 2006; Häge, 2007; Schneider, Finke and Bailer, 2010; Thomson, 2011; Aksoy, 2012; Cross, 2013), the effects of these variables can be further explored in the setting of early agreements.<sup>1</sup> In terms of democratic accountability, it would be preferable if highly salient and controversial cases were to be decided in a more transparent way than informal bargaining in trialogues. Previous studies on fast-track legislation provide some evidence that greater preference divergence reduces the probability of early agreements. Rasmussen (2011) finds that greater distance between the EP rapporteur (who is in charge of

---

<sup>1</sup>Rasmussen and Reh (2013) also use salience-weighted positional data in their analysis but their dependent variable is legislative bargaining success and not early agreement.

drafting the proposal content inside the EP) and the EP median on the left-right dimension is negatively associated with early agreements. This finding is contingent on the rapporteur stemming from one of the large party groups within the EP. Reh et al. (2013) show that greater policy distance between the national political parties of the rapporteur and the presiding minister of the responsible Council formation at the time of political agreement reduces the probability of trialogue bargaining. This effect is small and only significant at the ten percent level. Reh et al. (2013) also investigate how salience in terms of media coverage affects the probability of early agreements. While the expected effect is negative, this study shows that early agreements are equally likely to involve salient proposals as agreements at later stages of the co-decision procedure.<sup>2</sup>

The analysis in this paper builds upon this research and seeks to explicitly investigate preference divergence and salience as key indicators for explaining first-reading non-agreement. The choice to single out these indicators is based on veto bargaining models with incomplete information (Cameron and McCarty, 2004). If the actors have complete information, it follows that all legislative dossiers should be decided as early agreements. This is still not the case in the EU although there has been a notable increase in fast-track legislation. Testing the directly applicable predictions from veto bargaining theory is the first contribution that this paper makes to the existing literature. The second contribution to the literature is refined measurement of the key indicators. Both indicators are tested in two different ways, and each indicator thus has two different operationalisations. In the first test each member state's issue position, the EP position, and the salience the actors assign to their issue positions are measured on a 0-100 scale by policy experts (Thomson et al., 2006, 2012). In the second test, salience is measured as the number of recitals listed as reasons for adopting the relevant legislative act (Häge, 2007; Häge and Naurin, 2013). While Rasmussen (2011) and Reh et al. (2013) identify the EP rapporteur and the EP median or the EP rapporteur and the presiding minister as the key negotiators, this analysis singles out the EP median and the Council pivot under qualified majority voting (QMV) as the key negotiators (Crombez and Hix, 2013). This choice is based on the voting

---

<sup>2</sup>A competing expectation of salience (especially when measured by media coverage) would be a positive relationship with early agreement. The more media attention, the more demand for urgent action. However, Reh et al. (2013) find no evidence for such a mechanism.



rules in the respective institutions. The EP needs a simple majority to pass acts in the first reading while the Council usually needs a qualified majority. Furthermore, by employing data on EU actor preferences which vary by year and policy area (see (König and Luig, 2012)), the preference distance variable included in this analysis has more variation than the ones included in Rasmussen (2011) and Reh et al. (2013) (which use NOMINATE scores (Hix, Noury and Roland, 2006) and expert survey data (Benoit and Laver, 2006), respectively). The research design presented after the theoretical framework is thus carefully designed to test the empirical implications of veto bargaining models with incomplete information.

## THEORETICAL FRAMEWORK

This theory section seeks to explain why, under the assumption of incomplete information, some co-decision proposals are adopted in the first reading and others are not. The theoretical foundations are based upon standard models of veto bargaining which generally assume that the actors have Euclidean preferences (Cameron and McCarty, 2004). That is, they prefer the policies closest to their own ideal point to policies farther away. For simplicity, the ideal points of the different actors as well as the location of the existing policy (the status quo), and the new policy are presented in a one-dimensional space.

The standard models show that if all actors are completely informed about the preferences of the other actors, vetoes should not occur. This proposition holds regardless of whether the setting is one-shot veto bargaining or sequential veto bargaining. In the complete information veto game, the agenda setter is completely informed of the veto player's preferences and thus knows which bills will be successful. The agenda setter can propose its most preferred bill from the set of bills that the veto player will find acceptable (Cameron and McCarty, 2004). Consider Figure 1. Given the ideal point of the agenda setter ( $A$ ) and the veto player ( $V$ ),  $V$  will veto any bill located to the left of the agenda setter and  $A$  will not propose any bill located to the right of the veto player. A successful bill thus has to be located within the interval between the agenda setter and the veto player.

Similarly in the EU setting, if all actors have complete information with regard to the pref-

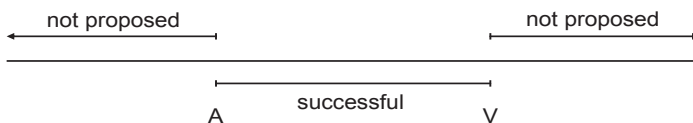


Figure 1: Veto game with complete information: Any successful bill will be located within the interval between the agenda setter (A) and the veto player (V)

erences of the other actors, first-reading non-agreement under co-decision should not occur. Under the assumption of complete information, the EP should present the Council with amendments to the Commission proposal that it knows that the Council will accept. But first-reading non-agreements do occur. In line with veto bargaining models, relaxing the assumption of complete information is necessary to explain the incidences of non-agreement. If the EP has incomplete information, non-agreement may occur due to the EP overestimating its ability to extract concessions from the Council.

The theoretical assumption of incomplete information in EU bargaining can be defended empirically. While the EP negotiates in public, Council negotiations are traditionally undertaken behind closed doors (Stasavage, 2004).<sup>3</sup> Hence the Council has much more information about the preference configuration within the EP than the EP has about the preferences of the different Council members. Incomplete information games require two conditions to be in place (see Fearon (1995)). The first one is uncertainty. At least one of the main actors needs to have doubts with regard to the type of the other actor. The secrecy of Council negotiations ensures

<sup>3</sup>In July 2006 the Council started to open more of its debates to the public. These open sessions are available as web-cast transmissions at the Consilium webpage.

that the EP cannot be certain of the positions of the pivotal actors within the Council. The Council therefore has private information. The second condition is incentives to present its own type wrongly in order to extract concessions from the other main actor. If the preference distribution within the Council is significantly different from the preference distribution within the EP, the Council can clearly benefit from signalling a more extreme position in order to obtain a policy closer to its own ideal point. In such situations, the Council will prefer not to reveal its (true) private information to the EP.

In the following, which is based on veto models with (in)complete information (Cameron and McCarty, 2004), the Council and the EP are presented as unitary actors. The ideal point of the Council is assumed to be the position of the pivotal government in the Council under co-decision. Since the Council usually decides by qualified majority voting (QMV) under co-decision, the government that is pivotal for a rightward (leftward) move is located to the left (right) of the government with the median vote. In practice, the government with the 5/7th vote is pivotal for a policy move to the left and the government with the 2/7th vote is pivotal for a policy move to the right if the status quo is located as illustrated in Figure 2. The EP votes by simple majority in the first reading under co-decision. Hence, given the assumption of unidimensionality, the pivotal member of the EP (MEP) is the median member of this institution (Crombez and Hix, 2013).<sup>4</sup> After the Commission has initiated a legislative proposal, the EP can present amendments to the proposal that the Council can choose to accept. According to the logic set out in Figure 1, the EP thus serves as the agenda setter and the Council as the veto player in first reading co-decision bargaining.

Figure 2 shows EU bargaining with complete and incomplete information. Here, the policy outcome (the adopted bill) is denoted as  $B$  and the Council position is either denoted as  $M$  or  $E$  depending on whether the pivot is moderate ( $M$ ) or extreme ( $E$ ). Figures 2a) and b) are possible scenarios when the EP is completely informed about the preference configuration within the Council. If the EP knows that the Council pivot is moderate (Figure 2a)), the EP will propose amendments to the Commission proposal that reflect its own ideal position. Since the Council

---

<sup>4</sup>Crombez and Hix (2013) argue that since the EU uses strict germaneness rules (amendments should be on-topic only), decision making on one dimension can be studied as if it were the only relevant dimension.

a) Complete information: Council = moderate (M)



b) Complete information: Council = extreme (E)



c) Incomplete information: Council either moderate (M) or extreme (E)



Figure 2: Bargaining game with complete and incomplete information: Council pivot either moderate ( $M$ ) or extreme ( $E$ )

pivot prefers such a policy outcome over the status quo, the adopted bill will be identical to the EP position. However, the EP will be worse off if the Council pivot is extreme (Figure 2b)). An extreme pivot will not accept EP's ideal position and the adopted bill will be located between the position of the Council pivot and the EP position. Note, that the bill adopted in Figure 2b) is closer to the moderate Council pivot's position than the bill adopted in Figure 2a) when the EP knows that the Council pivot is a moderate type. This provides the Council with an incentive not to reveal its true type in the early stages of inter-institutional bargaining.

Under incomplete information, the EP cannot determine with certainty what type of Council the Council really is. To simplify, the EP does not know whether the Council pivot has an extreme or moderate position. The set of bills an extreme Council pivot prefers is only a subset of the bills that a moderate Council pivot prefers. Figure 2c) illustrates this argument. Bill  $B_m$ , which is the outcome of bargaining when the Council pivot is moderate, is clearly preferable to the EP than bill  $B_e$  which is the outcome of bargaining when the Council pivot is extreme. However, the EP may falsely believe that the Council pivot is moderate and propose  $B_m$  which the extreme Council pivot will then refuse to accept.

The veto bargaining models with incomplete information generate several predictions of when vetoes are more likely to occur. Two of these predictions can be directly used to explaining why first-reading non-agreements under co-decision do happen. The first of these two predictions is that vetoes are more likely to occur the larger the difference between the ideal points of the pivotal actors (Cameron and McCarty, 2004). In the EU setting, this prediction can be transferred to first-reading non-agreement under co-decision. Figure 2 can easily illustrate why this is the case (for the mathematical proof see Cameron and McCarty (2004)). If the distance between the EP pivot and the Council pivot increases, the Council pivot is more likely to be extreme than to be moderate (vis-a-vis the EP). Under the condition of incomplete information the EP cannot know with certainty whether the Council is moderate or extreme. Still, the EP can benefit the most from proposing a bill close to its ideal position. Recognising that later rounds of decision making are costly to the Council (Häge and Kaeding, 2007), the EP knows that there is a probability that the Council will accept its proposal. The probability of the Council accepting the EP proposal is reduced when the distance between the two policy makers increases. Hence, larger preference heterogeneity can be assumed to reduce the probability of first-reading agreements in the EU.

The second prediction that can be borrowed from veto bargaining models with incomplete information is the result that the importance the actors assign to the bill matters for the probability of vetoes occurring or not. Given disagreement between the pivotal actors, more salient bills are more likely to be vetoed than less important ones and more likely to be re-passed if vetoed (Cameron, 2000). This is due to the agenda setter's incentive to put forward more risky proposals if the agenda setter cares highly about the policy content. Bargaining is assumed to be tougher for important bills. The second prediction is generated from sequential veto bargaining models while the first prediction holds for both one-shot games and sequential bargaining (Cameron and McCarty, 2004).

In the EU setting, the two predictions from the veto bargaining models can be transformed into a theoretical framework that seeks to explain the frequent occurrence of first-reading non-agreement under the co-decision procedure:

$H_1$  First-reading agreement is less likely to occur the greater the distance between the ideal

points of the Council pivot and the EP median.

$H_2$  First-reading agreement is less likely to occur the greater the importance attached to the legislative proposal.

The statistical analysis in this paper tests whether these two predictions can contribute to explaining why some proposals can be agreed upon at the first-reading stage of the co-decision procedure while others cannot. Figure 3 shows how the theoretical framework relates to the research design.

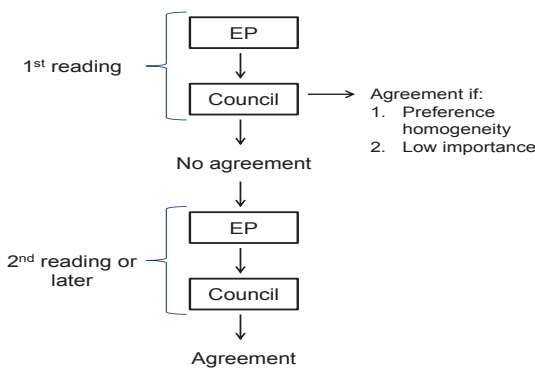


Figure 3: Co-decision bargaining under incomplete information

## DATA AND METHOD

The analysis in this paper runs two different tests of the hypothesised relationships between the key independent variables and the dependent variable *First-reading agreement*. The first test is based on positional data taken from the “Decision Making in the European Union (DEUI/II)” project (Thomson et al., 2006, 2012). In this data set, the issue-specific positions of the different member states, the Commission, and the European Parliament are measured by policy experts on a 0-100 scale reflecting the policy distances between the different actors. The reference point (similar to the concept of status quo), the policy outcome, and the salience that

the actors attach to the issues are also identified with this scale. The above data were collected through 349 semi-structured interviews with key informants. Altogether the data set contains 331 controversial issues nested in 125 legislative proposals that were introduced between 1996 and 2008 (Thomson et al., 2012). For the purpose of this paper, only co-decision proposals are relevant. This reduces the data set to 183 issues raised by 64 legislative proposals.

The second test utilises the European Union Policy-Making (EUPOL) data set and the subsample and extension to the EUPOL data employed in Häge (2007).<sup>5</sup> The EUPOL data set covers all information contained in the European Commission PreLex database for the years between 1975 and 2009 (Häge, 2011a). The second test also employs data taken from the European Legislation and Ideological positions in policy Spaces (EULIS) data set (see König and Luig (2012)) and the monthly summaries of Council acts.

The dependent variable, *First-reading agreement*, is used in both tests and is taken from the EUPOL data set. This binary variable is coded 0 if agreement was reached at later stages than the first reading and coded 1 if only one reading was needed to adopt the relevant legislation. While Rasmussen (2011) also codes first-reading agreement as early agreement, Reh et al. (2013) measure early agreements as first and early second-reading agreements that include an informal compromise between the EP and the Council. While the latter measurement is very efficient in the sense that it removes uncontroversial first-reading agreements from the early agreements category, it is not suitable for the theoretical framework employed in this paper which focuses on why not all proposals are adopted at the first-reading stage. However, redoing the analysis with early second-reading agreements (where the EP has accepted the Council's common position without amendments) as part of the early agreement category yields similar results to those presented in this paper. To control for noncontroversial first-reading agreements, the second test includes a variable that measures whether the EP made any amendments to the proposal in question.

The independent variable employed in the first test is a combination of the two key variables *Salience* and *Distance between EP median-Council pivot*. Each position is weighted by the

---

<sup>5</sup>The data sample in Häge (2007) consists of 439 legislative proposals on internal EU policies (not international agreements). Due to the research question only the co-decision proposals of this sample are applicable to the analysis in this paper.

salience the actor attached to the issue. In practice, all issue positions were multiplied by the respective salience estimates and then divided by 100. This ensures that the results are not driven by extreme positions which are not prioritised by the actors that hold them (Aksoy, 2012; Cross, 2013). The Council pivot is identified by taking the 5/7th percentile of the salience-weighted positional distribution vis-a-vis the reference point. This is the pivotal actor when the Council decides by QMV which it usually does under co-decision. If the reference point is 0, the Council pivot is located to the left hand side of the scale. If the reference point is 100, the Council pivot is located to the right hand side of the scale. After this the absolute salience-weighted distance between the Council pivot and the EP position is calculated.

There are some missing positions in the DEUI/II data set. Failure to account for this may seriously bias the results (Little, 1992; Honaker and King, 2010). In the DEU sub-sample employed in this paper, 39 of 75 pre-enlargement and 42 of 108 post-enlargement issues have complete positional information. Even though the level of missingness is not very high, the analysis employs the iterative imputation method *Multiple imputation using chained equations* (MICE) for robustness purposes (see van Buuren, Boshuizen and Knook (1999) for a detailed account of MICE). Here, the missing values are imputed on an issue-by-issue basis where predictive mean matching (PMM) selects the predicted values closest to the observed ones. The other observed positional values on one issue are thus used to predict the missing values on that particular issue. The analysis is run with both MICE and list-wise deletion of missing values.<sup>6</sup> Descriptive statistics for both the imputed and unimputed data sets are presented in Table 1.

	N	Mean	S.d.	Min	Max
<i>Dependent variable</i>					
First-reading agreement	183	0.31	0.46	0	1
<i>Independent variables</i>					
<b>Issue level: List-wise deletion</b>					
Salience-weighted positional difference EP median-Council pivot	174	41.3	31.2	0	100
<b>Issue level: MICE imputation</b>					
Salience-weighted positional difference EP median-Council pivot	183	40.3	32.1	0	100

Table 1: Descriptive statistics: Co-decision proposals from DEUI/II

<sup>6</sup>With regard to the application of MICE in this analysis, a standard number of five imputed data sets are created and the first imputation is drawn after an initial burn-in-period of 200 iterations.



The second test is conducted on 247 co-decision proposals introduced between 2000 and 2003 (Häge, 2007). The independent variables in this test are coded as follows. The *Distance between EP median-Council pivot* is based on the EULIS data set which combines issue-specific Comparative Manifesto Project (CMP) data with the EU legislative agenda. While political parties are relatively constant in their ideological positions on each issue, the relative importance of each issue on the EU legislative agenda is not fixed. By weighting issues by their yearly prominence on the legislative agenda for the different EU policy sectors, more time and area variation is secured. The issue-specific party positions are then aggregated to a left/right and national/supranational dimension (König and Luig, 2012).

On the basis of this information, the upper and lower (5/7th and 2/7th percentile) Council pivots are identified for each of the policy sectors, on both policy dimensions, with regard to the applicable years in the data set. The Council pivot is calculated from the year and sector-specific distribution of mean government positions within the Council. Data on the composition of national governments is taken from the ParlGov data set (Döring and Manow, 2011). The EP median is identified by the same procedure as Crombez and Hix (2013). Each member of the EP (MEP) is assigned the same position as its national party. To combine MEP party information with the EULIS data set, background data from the data set used in Hix, Noury and Roland (2006) is utilised. After merging the data, the median within each political group is calculated. Finally, the EP median is identified as the median political group on each dimension for the different sectors and years in the EULIS data. The *Distance between EP median-Council pivot* variable is then created as the absolute distance between these actors within the two institutions. Since it is logical to assume that the Council pivot is the upper or lower (5/7th or 2/7th) actor that generates the largest distance to the EP median, the variable is further operationalised as the largest absolute distance between the actors.<sup>7</sup>

The *Saliency* of a dossier is measured as the number of recitals in the original Commission proposal. Recitals are listed reasons for adopting the particular piece of legislation and the importance of a piece is assumed to be positively correlated with the number of reasons provided

---

<sup>7</sup>Since the *Distance between EP median-Council pivot* variable has more variation when measured on the pro-anti integration dimension, the logit models presented in the results section include this version of the distance variable. See the appendix for the results when this variable is generated on the basis of the left-right dimension. The results are similar although less robust.

for its adoption (Häge, 2007; Häge and Naurin, 2013).<sup>8</sup>

The variables *More than one policy area*, *Any EP amendment*, *First-reading Council consensus*, *Ministers involved up to first Council decision* and dummy variables for the largest policy areas are included as controls in the second test of the hypothesised relationships. These variables take the value 1 if the proposal is subjected to the labelled characteristic and 0 otherwise. All the control variables except for *First-reading Council consensus* are taken from the EUPOL data set (Häge, 2007, 2011a).

	N	Mean	S.d.	Min	Max
<i>Dependent variable</i>					
First-reading agreement	247	0.34	0.47	0	1
<i>Independent variables</i>					
<b>Proposal level</b>					
Distance between EP median-Council pivot	247	0.99	0.34	0.35	1.91
Saliency	247	15.64	9.24	1	62
More than one policy area	247	0.68	0.47	0	1
Any EP amendment	247	0.90	0.30	0	1
First-reading Council consensus	247	0.83	0.37	0	1
Ministers involved up to first Council decision	247	0.71	0.45	0	1
Internal market, Consumers and Tourism	247	0.20	0.40	0	1
Transport-Telecommunications	247	0.27	0.44	0	1
Environment	247	0.15	0.35	0	1
Economic and Financial Affairs	247	0.12	0.32	0	1

Table 2: Descriptive statistics: Data from EUPOL/EULIS/Council monthly summaries

*First-reading Council consensus* is based on voting information from the monthly summaries of Council acts.<sup>9</sup> The variable is coded as 1 if the proposal was decided by consensus and as 0 if one or more member states voted against or abstained. While information concerning voting on final acts is enough for first-reading agreements, records from the first-reading (non-final) voting stage are needed for acts adopted at later stages. The latter information is more scarce for the time frame in this paper, so this variable contains some measurement bias. Even so, it may be useful to control for Council consensus since this indicator can measure controversy variation from proposal to proposal and not only between year and sector as cap-

<sup>8</sup>Reh et al. (2013) use recitals to measure the complexity of a proposal but find no significant effect of this variable on early agreement in their analysis.

<sup>9</sup>The monthly summaries: <http://www.consilium.europa.eu/documents/legislative-transparency/>.

tured by the *Distance between EP median-Council pivot* variable.<sup>10</sup> The latter argument rests on the assumption that negative Council votes are synonymous with controversy in the sense that preferences had to be particularly compromised in the bargaining.

The descriptive statistics of the variables included in the second test are shown in Table 2.<sup>11</sup>

Both tests employ a logistic regression model due to the binary nature of the dependent variable *First-reading agreement*. Test diagnostics confirm that the logit models are appropriately specified and fitted to the data. Since the inverse-logistic function is curved, the expected difference in  $y$  corresponding to a fixed difference in  $x$  is not a constant (Gelman and Hill, 2007). The probability that *First-reading agreement* equals 1 is modelled as:

$$Pr(Y_i = 1) = \text{logit}^{-1}(\beta x_i)$$

Here the assumption is that the outcomes  $y_i$  are independent given these probabilities (Gelman and Hill, 2007).

---

<sup>10</sup>It would also be preferable to include a variable based on EP roll-call votes. However, since the EP explicitly votes on approximately 30 percent of all legislation, such a variable would have reduced the data sample accordingly (Hix, Noury and Roland, 2007).

<sup>11</sup>Note, that there is no evidence of severe multicollinearity between the independent variables. *Salience* and *Ministers involved up to first Council decision* show the highest bivariate correlation (.46) and thus only correlate moderately.

## RESULTS

The results for the first test are presented in Table 3 and the results for the second test are presented in Table 4. The results are shown as odds ratios where odds ratios greater than 1 indicate a positive effect on the dependent variable and odds ratios less than 1 indicate a negative effect. Both tests confirm the two theoretical expectations: the greater the salience of a dossier and the greater the distance between the EP median and the Council pivot, the lower the odds of first-reading agreement. These findings also hold when relevant controls are added to the second test. Observations that have disproportionately high influence on the results (i.e. observations with high Cook's Distance values) are removed in both tests.

Table 3: Effect of salience-weighted positional difference between EP median and Council pivot on first-reading agreement

	(1) 1st reading Listwise deletion	(2) 1st reading	(3) 1st reading MICE	(4) 1st reading
Salience-weighted positional distance between EP and Council	0.988** (-1.97)	0.988** (-1.97)	0.989** (-1.99)	0.989** (-2.20)
Constant	0.683 (-1.43)	0.683 (-1.00)	0.642* (-1.75)	0.642 (-1.22)
Observations (issues)	162	162	173	173
Proposals	62	62	64	64
Log likelihood	-98.07	-98.07	-103.7	-103.7

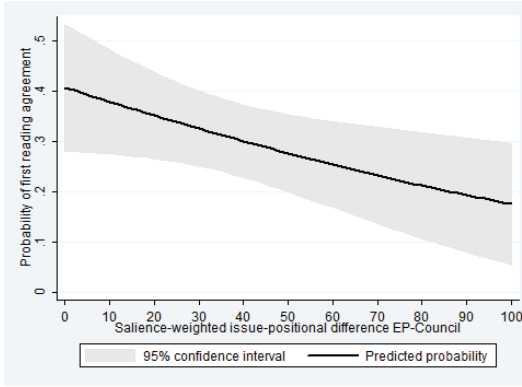
Exponentiated coefficients (odds ratios); *t* statistics in parentheses

Model 2 and 4 clustered at proposal level

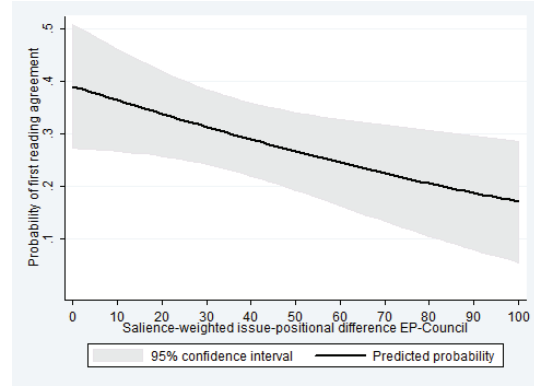
Extreme outliers are removed from the analysis

\*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$

With regard to the first test, four different models are estimated (see Table 3). Models 1-2 delete issues with missing values while Models 3-4 impute missing issue positions. Since the issues are nested within proposals, Models 2 and 4 are clustered at the proposal level. The results are similar across the four models. Consider Models 1-2, a one unit (on the 0-100 scale) increase in the salience-weighted positional distance between the EP median and the Council pivot reduces the odds of first-reading agreement by 1.2 percent  $((1-0.988)100)$ . This effect is significant at the 5 percent level and is plotted on the basis of predicted values in Figure 4. Figure



(a) List-wise deletion of missing issues



(b) Imputation of missing issues

Figure 4: Predicted probabilities: Salience-weighted positional distance EP median-Council pivot

4a) shows the result when list-wise deletion is used while 4b) shows the result when missing positions are imputed. Both figures show a clear negative tendency; the predicted probability of first-reading agreement decreases as the salience-weighted positional distance between the EP median and the Council pivot increases.

The second test includes relevant controls and assesses the effects of the two key indicators by separate measures instead of one combined measure. The results shown in Table 4 confirm the finding from the first test. The greater the distance between the EP median and the Council pivot and the greater the salience of a proposal, the lower the odds of first-reading agreement across the institutions. Recall that the variable *Any EP amendment* controls for uncontroversial first-reading agreements (the ones where the EP did not make any amendments to the Commission proposal). The results also hold when this variable is included (Models 2-4).

Consider Model 4 in Table 4, a one unit increase in the distance between the EP median and the Council pivot reduces the odds of first-reading agreement by a factor of 0.155. The latter finding is based on the EP median-Council pivot distance being measured on the pro-anti integration dimension. See Table 6 in the appendix for similar but slightly less robust results when the distance is measured on the left-right dimension.<sup>12</sup>

<sup>12</sup>Table 7 in the appendix shows the results when both distance variables are included. In these models, the variable that measures ideological distance on the left-right dimension does not have any significant effect on the dependent variable. The models are nevertheless included for reference as the two distance variables are only moderately correlated.

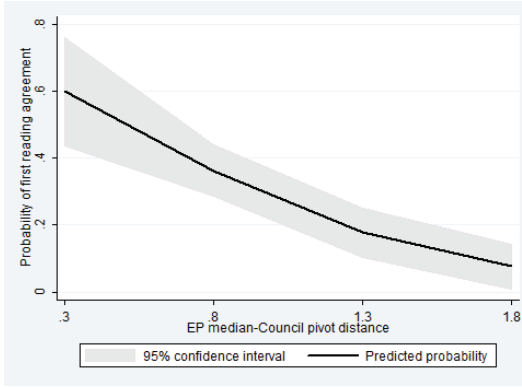
Table 4: Determinants of first-reading agreement

	(1)	(2)	(3)	(4)
	1st reading	1st reading	1st reading	1st reading
Distance between EP median and Council pivot	0.157*** (-3.84)	0.143*** (-3.91)	0.145*** (-3.83)	0.155*** (-3.48)
Salience	0.903*** (-4.47)	0.921*** (-3.42)	0.944** (-2.29)	0.946** (-2.17)
More than one policy area		0.786 (-0.76)	0.757 (-0.86)	0.723 (-0.98)
Any EP amendment		0.279** (-2.53)	0.474 (-1.38)	0.470 (-1.39)
First reading Council consensus		0.721 (-0.79)	0.725 (-0.77)	0.760 (-0.65)
Ministers involved up to first Council decision			0.356*** (-2.67)	0.319** (-2.55)
Internal Market, Consumers and Tourism				1.363 (0.66)
Transport-Telecommunications				1.436 (0.80)
Environment				1.383 (0.63)
Economic and Financial Affairs				0.936 (-0.11)
Constant	12.10*** (4.07)	47.38*** (4.62)	42.36*** (4.44)	33.75*** (3.92)
Observations	244	244	244	244
Log likelihood	-134.8	-130.8	-127.2	-126.7

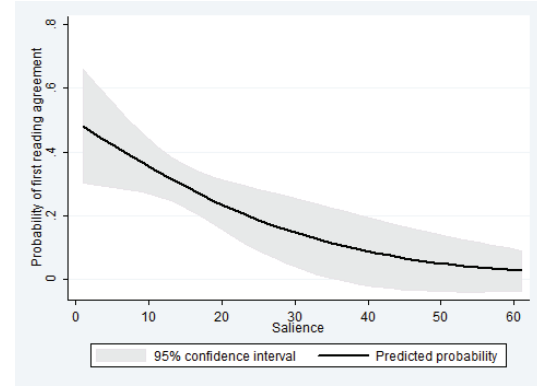
Exponentiated coefficients (odds ratios); *t* statistics in parentheses

Three extreme outliers are removed from the analysis

\*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$



(a) EP median-Council pivot distance



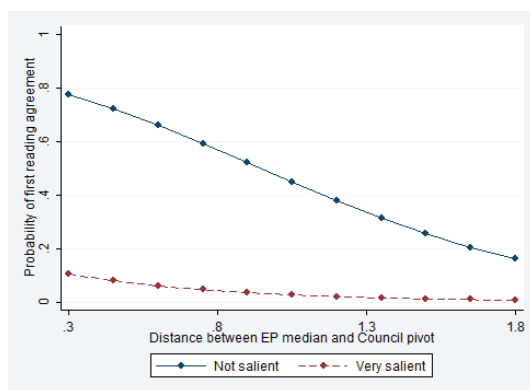
(b) Saliency

Figure 5: Predicted probabilities: EP median-Council pivot distance and saliency

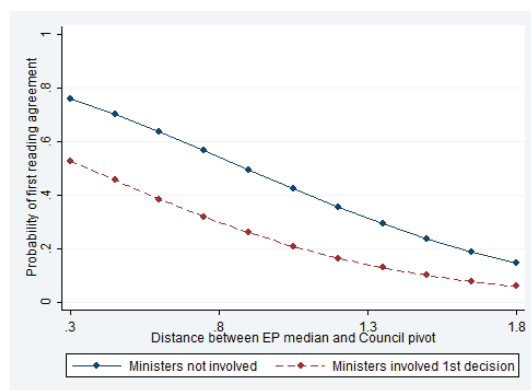
Furthermore, a one unit increase in saliency (meaning in the number of reasons provided for its adoption by the initial Commission proposal) reduces the odds of first-reading agreement by 5.4 percent when controlling for the other variables. In other words, the odds of first-reading agreement are reduced by a factor of 0.946.

Figure 5 plots the substantial effects on the basis of the predicted values from Model 3 in Table 4 (the other variables are fixed at the mean). Figure 5a) illustrates that preference divergence between the pivotal actors in the two institutions is negatively associated with first-reading agreement. The negative relationship with the dependent variable is stronger for high levels of preference divergence. Similarly, Figure 5b) shows that salient dossiers are negatively related to first-reading agreement. As the level of saliency reaches its maximum value, the probability of early agreement drops.

The substantial effects from Model 3 (Table 4) are further explored in Figure 6. Although theoretically expected, there is no robust interaction between *Saliency* and *Distance between EP median and Council pivot* (see Table 5 in the appendix). Still, Figure 6a) shows that the effect of preference divergence does vary with saliency when low and high levels of saliency are considered. Non-salient legislation with low preference divergence is predicted to be more than 0.6 more likely to be adopted at the first reading than highly salient legislation with low preference divergence. However, levels of saliency matter less when the preference divergence



(a) By salience



(b) By ministers decided first decision

Figure 6: Predicted probabilities: Distance EP median-Council pivot by salience and ministerial involvement

between the pivotal actors increases. 6b) illustrates that the effect of preference divergence also varies to some extent by ministerial involvement. If ministers are not involved in the decision making and the preference divergence is low, the probability of first-reading agreement is higher than when ministers are involved and the preference divergence is low. The difference in predicted probability is reduced when the distance between the EP median and the Council pivot increases. Even so, this analysis confirms the negative relationship between ministerial involvement and first-reading agreements identified by Häge and Naurin (2013).

In Model 4 (Table 4), the odds of first-reading agreement are reduced by a factor of 0.319 when ministers are involved. Häge and Naurin (2013) find that first-reading agreements have a negative effect on the likelihood of ministerial involvement, and argue that this reduces the democratic legitimacy of these agreements. While this claim is supported by the analysis in this paper, robust evidence is also found for the notion that final decisions on highly salient and controversial proposals are not taken in the first reading. On this type of proposals, ministers are more likely to be involved. Altogether this shows that salient and controversial cases are decided in a more transparent manner and are not dependent on the outcome of first-reading informal trialogue bargaining.



## CONCLUSION

Standard models of veto bargaining show that if the actors in EU bargaining have complete information with regard to the positions of the other actors, agreement at later stages than the first reading should not be observed. Although the number of first reading agreements under the ordinary legislative procedure (co-decision) has steadily increased since the introduction of the Amsterdam Treaty, agreement across the EP and the Council is frequently reached at later stages than the first reading. The assumption of complete information can thus be relaxed in the EU setting.

Veto bargaining models with incomplete information infer two propositions that can be applicable to bargaining scenarios with the possibility of more than one round: 1) The greater the distance between the ideal points of the pivotal actors and 2) the greater the salience, the greater the probability of more than one round of bargaining.

The analysis in this paper confirms both expectations and shows that preference divergence and salience are negatively associated with first-reading agreements in the EU. When legislative proposals are highly salient and the distance between the EP median and the Council pivot is large, agreement is significantly less likely to be reached at the first-reading stage. These findings are robust across two different empirical tests. The first test employs positional data at the issue level and the second test utilises proposal-specific data and introduces relevant controls.

While previous research on the determinants of early agreements in the EU has mainly emphasised the negative consequences for democratic legitimacy, this analysis contributes to the positive side of the debate by showing that highly salient and controversial cases are more likely to be resolved in a formal and transparent manner with the involvement of accountable actors. Less salient and less controversial acts are, however, associated with informal dialogue bargaining at the first-reading stage. This analysis is based on proposals adopted in the fifth term of the EP (1999-2004) and on a small sample of proposals adopted both before and after the 2004 enlargement. The task of conducting a similar test of the theoretical expectations on a larger sample of proposals is left for future research. Despite the data limitations of this

analysis, applying veto bargaining models with incomplete information to the EU bargaining setting under the co-decision procedure is shown to be a more than useful application. The theoretical framework and research design can also be further tested empirically on sequential veto bargaining in other international and national institutions (Cameron, 2000; Cameron and McCarty, 2004).

Table 5: Determinants of first-reading agreement: Not any robust interaction between salience and EP-Council distance on the pro-anti integration dimension

	(1)	(2)	(3)	(4)
	1st reading	1st reading	1st reading	1st reading
Distance between EP median and Council pivot	0.106*** (-3.96)	0.109*** (-3.94)	0.113*** (-3.86)	0.120*** (-3.55)
Salience	0.893*** (-4.46)	0.912*** (-3.50)	0.934** (-2.47)	0.935** (-2.36)
Salience*distance EP-Council	0.874* (-1.71)	0.900 (-1.35)	0.903 (-1.30)	0.899 (-1.32)
More than one policy area		0.831 (-0.58)	0.800 (-0.68)	0.771 (-0.78)
Any EP amendment		0.307** (-2.35)	0.518 (-1.22)	0.516 (-1.22)
First reading Council consensus		0.714 (-0.81)	0.717 (-0.79)	0.752 (-0.67)
Ministers involved up to first Council decision			0.362*** (-2.64)	0.329** (-2.49)
Internal Market, Consumers and Tourism				1.416 (0.74)
Transport-Telecommunications				1.505 (0.89)
Environment				1.366 (0.60)
Economic and Financial Affairs				1.014 (0.02)
Constant	0.358*** (-5.47)	1.601 (0.74)	2.112 (1.14)	1.760 (0.76)
Observations	244	244	244	244
Log likelihood	-133.2	-129.8	-126.3	-125.7

Exponentiated coefficients (odds ratios); *t* statistics in parentheses

\*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$

Table 6: Determinants of first-reading agreement: Models with left-right EP-Council distance instead of pro-anti integration EP-Council distance

	(1)	(2)	(3)	(4)
	1st reading	1st reading	1st reading	1st reading
Left-right distance	0.297*	0.312	0.263*	0.191**
EP median-Council pivot	(-1.72)	(-1.61)	(-1.80)	(-2.07)
Salience	0.915*** (-4.26)	0.930*** (-3.25)	0.954** (-2.01)	0.952** (-2.04)
More than one policy area		0.718 (-1.07)	0.684 (-1.20)	0.656 (-1.30)
Any EP amendment		0.339** (-2.20)	0.600 (-0.96)	0.560 (-1.08)
First reading Council consensus		0.735 (-0.76)	0.765 (-0.65)	0.813 (-0.49)
Ministers involved up to first Council decision			0.332*** (-2.92)	0.350** (-2.40)
Internal Market, Consumers and Tourism				2.529** (1.97)
Transport-Telecommunications				1.318 (0.62)
Environment				1.264 (0.46)
Economic and Financial Affairs				0.929 (-0.13)
Constant	3.689** (2.43)	11.95*** (3.27)	11.72*** (3.20)	10.82*** (2.95)
Observations	244	244	244	244
Log likelihood	-141.3	-137.9	-133.6	-131.0

Exponentiated coefficients (odds ratios); *t* statistics in parentheses

\*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$

Table 7: Determinants of first-reading agreement: Models with both pro-anti integration and left-right EP-Council distance

	(1)	(2)	(3)	(4)
	1st reading	1st reading	1st reading	1st reading
Pro-anti integration distance	0.161***	0.142***	0.151***	0.166***
EP median-Council pivot	(-3.47)	(-3.60)	(-3.44)	(-2.85)
Left-right distance	0.907	1.045	0.847	0.828
EP median-Council pivot	(-0.13)	(0.06)	(-0.21)	(-0.20)
Salience	0.903***	0.921***	0.944**	0.946**
	(-4.45)	(-3.42)	(-2.26)	(-2.17)
More than one policy area		0.788	0.753	0.720
		(-0.75)	(-0.87)	(-0.99)
Any EP amendment		0.279**	0.479	0.474
		(-2.53)	(-1.36)	(-1.37)
First reading Council consensus		0.719	0.733	0.767
		(-0.79)	(-0.74)	(-0.62)
Ministers involved up to first Council decision			0.353***	0.322**
			(-2.67)	(-2.51)
Internal Market, Consumers and Tourism				1.414
				(0.69)
Transport-Telecommunications				1.412
				(0.75)
Environment				1.363
				(0.59)
Economic and Financial Affairs				0.949
				(-0.09)
Constant	12.49***	46.83***	44.28***	34.68***
	(3.82)	(4.47)	(4.36)	(3.90)
Observations	244	244	244	244
Log likelihood	-134.8	-130.8	-127.2	-126.6

Exponentiated coefficients (odds ratios); *t* statistics in parentheses

\*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$



## Concluding remarks

The papers of this thesis have shown that preferences have a robust effect on observed voting behaviour and implementation behaviour in the EU. Preferences also affect the dynamics of EU decision making in terms of how long it takes to reach agreement and in which reading the final decision is taken. Figure 1 summarises the main findings of the thesis in light of the previous findings in the literature with regard to the effect of preferences for the different topics analysed. This summary also illustrates the explicit contributions made by the thesis to the existing literature. The analyses presented have strived: 1) to improve and extend the tested measures, 2) to appropriately account for missing data and 3) to consistently control for the salience attached to a proposal. Hence, although the framework of the thesis is grounded in the invaluable research conducted on the four different topics, the different analyses have also endeavoured to contribute to the cumulative improvement of the research field.

On topic 1 (see Figure 1), Paper 1 shows that governments vote in line with their salience-weighted positions and that this relationship is stronger when missing positions are imputed iteratively. While the main finding is compatible with the previous research, it also nuances the so called “culture of consensus” as evidence of such a culture does not mean that the majority of Council members vote against their positions. The “culture of consensus” should hence be treated as a variable rather than a constant in Council decision making (Schneider, 2008).

With regard to topic 2, Paper 2 builds upon previous compliance research by adding a voting variable to an extended quantitative analysis of directives from all the main EU policy areas before and after the 2004 enlargement. This paper shows that voting behaviour is connected with implementation behaviour. This finding indicates that preferences (revealed by voting) have consequences for the implementation stage. In terms of practical implications, the Commission may thus benefit from keeping an extra eye on dissenting member states to reduce possible infringements.

Paper 3 is embedded in topic 3 and accounts for the duration of EU decision making. This analysis adds indicators not previously investigated in this particular setting to the analysis of legislative efficiency in the EU. Specifically, it is shown that greater inter-institutional distance

Topic	Findings of the literature	Findings of the thesis
<b>1) Council voting and Council dimensional space</b>	<p>1) Council decision making is guided by a "culture of consensus"</p> <p>2) Although positional data and voting data have been studied separately, the identified political space is quite similar across previous studies</p>	<p>1) Governments are guided by their salience-weighted issue-specific positions when voting in the Council. Positional data and voting data are thus compatible</p> <p>2) This relationship is stronger when missing positions are imputed on an issue-by-issue basis</p>
<b>2) Compliance of EU directives</b>	<p>1) Policies on which there were preference divergence at the decision-making stage are likely to be prioritised by the Commission to ease member state transposition</p> <p>2) Dissent in Council bargaining has no substantial effect on (non)-compliance</p> <p>3) Positional incentives to deviate increase the odds of infringements</p>	<p>1) Preference-based explanations for non-compliance perform better when accounting for infringements than transposition delay</p> <p>2) Dissent in Council bargaining increases the odds of infringements</p> <p>3) Salience-weighted positional incentives to deviate increase the odds of infringements</p>
<b>3) Duration of EU decision making</b>	<p>1) Margaret Thatcher (proxy for anti-EU government) delayed EU decision making</p> <p>2) Left-right distance in the Council is not a strong indicator of the duration of EU decision-making</p> <p>3) Regulations and decisions take shorter time to decide than directives (where preferences are assumed to matter more) and policy areas with more homogenous preference distributions have shorter durations than other policy areas</p>	<p>1) Dissent in Council voting slows down EU decision making</p> <p>2) Greater left-right distance between the ideal points of the pivotal actors slows down inter-institutional decision making</p> <p>3) Salient proposals and proposals with ministerial involvement take longer to decide than less salient proposals and proposals decided in committees</p>
<b>4) Early agreements under the co-decision procedure</b>	<p>1) Greater distance between the EP rapporteur and the EP plenary or presiding minister, reduces the likelihood of first-reading agreement</p> <p>2) Salient proposals are just as likely as non-salient proposals to be associated with early agreement</p>	<p>First-reading agreements are less likely to occur:</p> <p>(1) the greater the distance between the ideal points of the Council pivot and the EP median and</p> <p>(2) the greater the salience attached to the proposal</p>

Figure 1: Findings of the literature vs. findings of the thesis



between the pivotal actors within the Council and the EP and dissent in Council voting increase the time it takes to reach agreement across the institutions. While previous studies on this topic first and foremost have focused on the Council, this paper attempts to account for inter-institutional decision making. The findings indicate that EU law making is more prone to gridlock if there is greater variation in left-right positions of the pivotal actors.

In paper 4, the implications of bargaining models with incomplete information are applied in order to explain early agreements under the co-decision procedure. The findings of the two empirical tests conducted support the theoretical framework: First-reading agreements are less likely to occur (1) the greater the distance between the pivotal actors in the Council and the EP and (2) the greater the salience attached to a proposal. These findings are substantially important as they indicate that salient and controversial proposals are negotiated more transparently than less salient and less controversial proposals.

While the main findings have been thoroughly elaborated by the previous parts of the thesis, this part discusses the more overarching issues related to the research presented. The thesis relates specifically to three grand issues of the EU decision making literature: 1) *theories of decision making*, 2) *transparency of decisions* and 3) *selection biases in decision-making data*. The following will elaborate on how these issues are connected to each other and the thesis as such.

With regard to *theories of EU decision making*, the framework of the thesis is embedded in rational choice institutionalism. The theoretical set up presented is generally based on previous decision-making studies and then adjusted to fit the research questions presented in the different papers. But there is one exception as the last paper of the thesis draws upon decision-making models with incomplete information where the agenda setter (the EP in the setting of the first reading of the co-decision procedure) cannot know with certainty what type the veto player (the Council) really is. Researchers are surely aware of the presence of incomplete information in EU decision making. Tsebelis and Garrett (2000) argue that complete information only exists in the final rounds of decision making. Then the actors have learnt about each other from previous interactions. While the issue of incomplete information is well acknowledged, few studies have attempted to specifically model the uncertainty. Paper 4 of this thesis shows that

predictions generated from veto bargaining models with incomplete information can contribute to explain first-reading non-agreement in the EU. Future studies may thus benefit from investigating the theoretical and empirical implications of incomplete information and the effect of these implications on EU decision making.

On the other side, the increasing number of first-reading agreements can serve as an argument against this path of possible future research. While first-reading decisions accounted for only about 25-30 percent of all legislation made under the co-decision procedure in 2000 and 2001, 90 percent of all co-decision proposals were adopted at first reading in 2010 and 2011 (Hix and Høyland, 2013). This trend indicates professionalisation of EU decision making where some types of actors interact more frequently than others. These actors also meet in informal arenas and deals are made behind closed doors. This trend can strongly be linked to the *transparency debate* in domestic and international bargaining (Stasavage, 2004). Although increased transparency may also have negative consequences for bargaining outcomes as representatives may care more about their own public reputation than the policy outcome, transparent decision-making undoubtedly makes the representatives more accountable to their constituencies, plenaries and/or governments. Hence, while the early 1990s and early 2000 paved way for more legislative transparency in EU decision making, the 2010s have produced less transparency in the sense of an increasing number of first-reading agreements. This tendency makes it harder for both researchers and the public to assess “who gets what, when and how” in the EU legislative process and spurs a need for improved data (Hix and Høyland, 2013). A lack of open debate on a legislative proposal does not enhance the democratic legitimacy of the EU. There is also little public debate on the implementation of EU directives. The lack of public debate on EU issues does not only stem from the institutional set up of the union. The weak electoral connection between citizens and legislators creates few incentives for national debate on EU issues (Hix, 2008). The lack of national debate may then also be a contributing factor to less transparent decision modes at the European level.

The transparency debate is thus complex and can present a trade-off between accountability and policy outcomes. While transparency produces accountability, it can also produce a smaller set of possible policy outcomes as the negotiators can be less willing to compromise when their

constituents are able “to watch them” (Stasavage, 2004). Limited transparency also produces *selection biases in EU decision-making data*. For instance, if all Council and EP negotiations were open to the public, researchers would have access to data on “failed” legislation. Versions of proposals that do not receive the sufficient support in order to pass are not officially recorded. This may lead to a biased estimate of the actual level of disagreement as final votes only are taken on a proposal when the proposal has gained the required support (Hug, 2010). The introduction to the thesis elaborated on selection biases in the data sets utilised. Despite these selection biases, the thesis finds a link between preferences and behaviour in EU decision making. Although we cannot know with certainty the magnitude of selection bias and its effect on the findings presented in this thesis, the findings can support the notion that member states act in accordance with their structural interests (Bailer, Mattila and Schneider, 2010). While this thesis has not attempted to examine why some member states vote against a proposal and others do not beyond the assumption that preferences matter, the empirical support of the broader argument that “preferences determines voting behaviour which again determines implementation behaviour” can plausibly rest on preferences being a proxy for structural interests of the different member states. The task of investigating structural interests and their impact on the broader decision-making process in the EU is, however, left for future research.



# Bibliography

- Achen, Christopher H. 2006. Evaluating political decision-making models. In *The European Union Decides*, ed. Robert Thomson, Frans N. Stokman, Christopher H. Achen and Thomas König. Cambridge: Cambridge University Press pp. 264–298.
- Aksoy, Deniz. 2012. “Institutional Arrangements and Logrolling: Evidence from the European Union.” *American Journal of Political Science* 56(3):538–552.
- Angelova, Mariyana, Tanja Dannwolf and Thomas König. 2012. “How robust are compliance findings? A research synthesis.” *Journal of European Public Policy* 19(8):1269–1291.
- Arregui, Javier and Robert Thomson. 2009. “States’ bargaining success in the European Union.” *Journal of European Public Policy* 16(5):655–676.
- Bailer, Stefanie. 2004. “Bargaining Success in the European Union: The Impact of Exogenous and Endogenous Power Resources.” *European Union Politics* 5(1):99–123.
- Bailer, Stefanie, Mikko Mattila and Gerald Schneider. 2010. “Money Makes the EU Go Round: The Objective Foundations of Conflict in the Council of Ministers.” *APSA 2010 Annual Meeting Paper*. Available at SSRN:<http://ssrn.com/abstract=1642588> pp. 1–25.
- Benoit, Kenneth and Michael Laver. 2006. *Party Policy in Modern Democracies*. Routledge.
- Bostock, David. 2002. “Coreper Revisited.” *Journal of Common Market Studies* 40(2):215–234.
- Box-Steffensmeier, Janet, Dan Reiter and Christopher Zorn. 2003. “Nonproportional Hazards and Event History Analysis in International Relations.” *Journal of Conflict Resolution* 47(1):33–53.
- Box-Steffensmeier, Janet M. and Bradford S Jones. 2004. *Event History Modeling: A Guide to Social Scientists*. Cambridge University Press.
- Cameron, Charles M. 2000. *Veto Bargaining: Presidents and the Politics of Negative Power*. Cambridge: Cambridge University Press.
- Cameron, Charles M. and Nolan McCarty. 2004. “Models of Vetoes and Veto Bargaining.” *Annual Review of Political Science* 7:409–435.
- Carrubba, Clifford J. 2005. “Courts and Compliance in International Regulatory Regimes.” *The Journal of Politics* 67(3):669–689.
- Carrubba, Clifford J., Matthew Gabel and Charles Hankla. 2008. “Judicial Behavior under Political Constraints: Evidence from the European Court of Justice.” *American Political Science Review* 102(4):435 – 452.

- Carrubba, Clifford J., Matthew Gabel, Lacey Murrah, Ryan Clough, Elizabeth Montgomery and Rebecca Schambach. 2006. "Off the Record: Unrecorded Legislative Votes, Selection Bias and Roll-Call Analysis." *British Journal of Political Science* 36(11):691–704.
- Carrubba, Clifford, Matthew Gabel and Simon Hug. 2008. "Legislative Voting Behavior, Seen and Unseen: A Theory of Roll-Call Vote Selection." *Legislative Studies Quarterly* 33(4):543 – 572.
- Carrubba, Clifford, Matthew Gabel and Simon Hug. 2009. "Voting at the surface: Roll call votes in the European Parliament." Typescript, Department of Political Science, University of Geneva.
- Cleves, Mario, William W. Gould, Roberto G. Gutierrez and Yulia Marchenko. 2008. *An Introduction to Survival Using Stata*. 2nd ed. College Station, Texas: Stata Press.
- Congdon, Peter. 2005. *Bayesian Models for Categorical Data*. Wiley.
- Cranmer, Skyler J. and Jeff Gill. 2013. "We Have to Be Discrete About This: A Non-Parametric Imputation Technique for Missing Categorical Data." *British Journal of Political Science* 43(2):425–449.
- Crombez, Christophe. 1996. "Legislative Procedures in the European Community." *British Journal of Political Science* 26(2):199–218.
- Crombez, Christophe. 1997. "The Co-Decision Procedure in the European Union." *Legislative Studies Quarterly* 22(1):97–119.
- Crombez, Christophe. 2003. "The Democratic Deficit in the European Union: Much Ado about Nothing?" *European Union Politics* 4(1):101–20.
- Crombez, Christophe and Simon Hix. 2013. "Legislative Activity and Gridlock in the European Union." Working paper, version 5 May 2013.
- Cross, James P. 2013. "Everyone's a winner (almost): Bargaining success in the Council of Ministers of the European Union." *European Union Politics* 14(1):70–94.
- Döring, Holger and Philip Manow. 2011. "Parliament and government composition database (ParlGov): An infrastructure for empirical information on parties, elections and governments in modern democracies.".   
**URL:** <http://parlgov.org>
- Downs, Anthony. 1957. *An Economic Theory of Democracy*. Harper & Row.
- Epstein, David and Sharyn O'Halloran. 1999. "Asymmetric Information, Delegation, and the Structure of Policy-Making." *Journal of Theoretical Politics* 11(1):37–56.
- Falkner, G., M. Hartlapp, S. Leiber and O. Treib. 2004. "Non-Compliance with EU Directives in the Member States: Opposition through the Backdoor." *West European Politics* 27(3):452–473.
- Falkner, Gerda, Oliver Treib, Miriam Hartlapp and Simone Leiber. 2005. *Complying with Europe? The Impact of EU Minimum Harmonisation and Soft Law in the Member States*. Cambridge: Cambridge University Press.

- Farrell, Henry and Adrienne Heritier. 2003. "Formal and Informal Institutions Under Codecision: Continuous Constitution-Building in Europe." *Governance: An International Journal of Policy, Administration and Institutions* 16(4):577–600.
- Farrell, Henry and Adrienne Heritier. 2004. "Interorganizational Negotiation and Intraorganizational Power in Shared Decision Making: Early Agreements Under Codecision and Their Impact on the European Parliament and Council." *Comparative Political Studies* 37(10):1184–1212.
- Fearon, James D. 1995. "Rationalist Explanations for War." *International Organization* 49(3):379–414.
- Føllesdal, Andreas and Simon Hix. 2006. "Why There is a Democratic Deficit in the EU: A Response to Majone and Moravcsik." *Journal of Common Market Studies* 44(3):533 – 562.
- Franchino, Fabio. 2007. *The Powers of the Union: Delegation in the EU*. Cambridge: Cambridge University Press.
- Gelman, Andrew and Jennifer Hill. 2007. *Data Analysis Using Regression and Multilevel/hierarchical Models*. Cambridge University Press.
- Golub, Jonathan. 1999. "In the Shadow of the Vote? Decision Making in the European Community." *International Organization* 53(4, Autumn):733–764.
- Golub, Jonathan. 2007. "Survival Analysis and European Union Decision-making." *European Union Politics* 8(2):155–79.
- Golub, Jonathan. 2012. "How the European Union does not work: National bargaining success in the Council of Ministers." *Journal of European Public Policy* 19(9):1294–1315.
- Golub, Jonathan and Bernhard Steunenberg. 2007. "How Time Affects EU Decision-Making." *European Union Politics* 8(4):555–566.
- Häge, Frank M. 2007. "Committee Decision-Making in the Council of the European Union." *European Union Politics* 8(3):299 – 328.
- Häge, Frank M. 2011a. "The European Union Policy-Making Dataset." *European Union Politics* 12(3):455–477.
- Häge, Frank M. 2011b. "Politicizing Council Decision-Making: The Effect of EP Empowerment." *West European Politics* 34(1):19–47.
- Häge, Frank M. 2013. "Coalition-Building and Consensus in the Council of the European Union." *British Journal of Political Science* 43(3):481–504.
- Häge, Frank M. and Daniel Naurin. 2013. "The effect of codecision on Council decision-making: informalization, politicization and power." *Journal of European Public Policy* 20(7):953–971.
- Häge, Frank and Michael Kaeding. 2007. "Reconsidering the European Parliament's Legislative Influence: Formal vs. Informal Procedures." *European Integration* 29(3):341–361.
- Hagemann, Sara. 2006. *Decision - Making in the European Union's Council of Ministers* PhD thesis London School of Economics and Political Science.

- Hagemann, Sara. 2007. "Voting and formal statements: How governments record their positions in the enlarged EU." European Policy Center, Brussels.
- Hagemann, Sara. 2008. Voting, Statements and Coalition-Building in the Council from 1999 to 2006. In *Unveiling the Council of the European Union: Games Governments Play in Brussels*, ed. Daniel Naurin and Helen Wallace. Basingstoke: Palgrave MacMillan pp. 36–63.
- Hagemann, Sara and Bjørn Høyland. 2008. "Parties in the Council?" *Journal of European Public Policy* 10(8):1205 – 1221.
- Hagemann, Sara and Julia De Clerck-Sachsse. 2007. "Old Rules, New Game. Decision-making in the Council of Ministers after the 2004 Enlargement." CEPS, Brussels: CEPS Special Report.
- Hayes-Renshaw, Fiona and Helen Wallace. 1997. *The Council of Ministers*. Basingstoke: Palgrave MacMillan.
- Hayes-Renshaw, Fiona and Helen Wallace. 2006. *The Council of Ministers*. 2nd ed. Basingstoke: Palgrave Macmillan.
- Heisenberg, Dorothee. 2005. "The institution of "consensus" in the European Union: Formal versus informal decision-making in the Council." *European Journal of Political Research* 44(1):65–90.
- Hertz, Robin and Dirk Leuffen. 2011. "Too big to run? Analysing the impact of enlargement on the speed of EU decision-making." *European Union Politics* 12(2):193–215.
- Hix, Simon. 2002. "Constitutional Agenda-Setting Through Discretion in Rule Interpretation: Why the European Parliament Won at Amsterdam." *British Journal of Political Science* 32(2):259–280.
- Hix, Simon. 2005. *The Political System of the European Union*. The European Union Series 2nd ed. Basingstoke: Palgrave MacMillan.
- Hix, Simon. 2008. *What's wrong with the European Union and how to fix it*. Cambridge: Polity Press.
- Hix, Simon and Abdul Noury. 2009. "After Enlargement: Voting Patterns in the Sixth European Parliament." *Legislative Studies Quarterly* 34(2):159 – 173.
- Hix, Simon, Abdul Noury and Gerard Roland. 2006. "Dimensions of Politics in the European Parliament." *American Journal of Political Science* 50(2):494–511.
- Hix, Simon, Abdul Noury and Gerard Roland. 2007. *Democratic Politics in the European Parliament*. Cambridge.
- Hix, Simon and Bjørn Høyland. 2011. *The Political System of the European Union*. 3rd ed. Palgrave Macmillan.
- Hix, Simon and Bjørn Høyland. 2013. "Empowering the European Parliament." *Annual Review of Political Science* 16:171–189.



- Honaker, James and Gary King. 2010. "What to Do about Missing Values in Time-Series Cross-Section Data." *American Journal of Political Science* 54(2):561 – 581.
- Hug, Simon. 2003a. "Endogenous Preferences And Delegation In The European Union." *Comparative Political Studies* 36(1/2):41–74.
- Hug, Simon. 2003b. "Selection Bias in Comparative Research: The Case of Incomplete Data Sets." *Political Analysis* 11(3):255 – 274.
- Hug, Simon. 2010. "Selection Effects in Roll Call Votes." *British Journal of Political Science* 40(1):225 – 235.
- Jackman, Simon. 2009. *Bayesian Analysis for the Social Sciences*. Wiley: Chichester.
- Kaeding, Michael. 2008. "Lost in Translation or Full Steam Ahead: The Transposition of EU Transport Directives across Member States." *European Union Politics* 9(1):115–143.
- Kardasheva, Raya. 2009. Legislative package deals in EU decision-making: 1999-2007 PhD thesis London School of Economics and Political Science.
- Kaufmann, Daniel, Aart Kraay and Massimo Mastruzzi. 2010. "The worldwide governance indicators: methodology and analytical issues." *Policy Research Working Paper Series 5430*, The World Bank .
- King, Gary, James Honaker, Anne Joseph and Kenneth Scheve. 2001. "Analyzing Incomplete Political Science Data: An Alternative Algorithm for Multiple Imputation." *American Political Science Review* 95(1):49 – 69.
- King, Gary, Robert O. Keohane and Sidney Verba. 1994. *Designing Social Inquiry: Scientific Inference in Qualitative Research*. Princeton, NJ: Princeton University Press.
- König, Thomas. 2007. "Divergence or convergence? From ever-growing to ever-slowing European legislative decision making." *European Journal of Political Research* 46:417–444.
- König, Thomas. 2008. "Analysing the Process of EU Legislative Decision-Making. To Make a Long Story Short..." *European Union Politics* 9(1):145–165.
- König, Thomas and Bernd Luig. 2012. "Party ideology and legislative agendas: Estimating contextual policy positions for the study of EU decision-making." *European Union Politics* 13(4):604–625.
- König, Thomas, Bjorn Lindberg, Sandra Lechner and Winfried Pohlmeier. 2007. "Bicameral Conflict Resolution in the European Union: An Empirical Analysis of Conciliation Committee Bargains." *British Journal of Political Science* 37(2):281 – 312.
- König, Thomas and Brooke Luetgert. 2009. "Troubles with Transposition? Explaining Trends in Member-State Notification and the Delayed Transposition of EU Directives." *British Journal of Political Science* 39 (1):163–194.
- König, Thomas, Daniel Finke and Stephanie Daimer. 2005. "Ignoring the Non-ignorables. Missingness and Missing Positions." *European Union Politics* 6 (3):269–290.

- König, Thomas and Dirk Junge. 2008. Veto Player Theory and Consensus Behaviour. In *Unveiling the Council of the European Union. Games Governments Play in Brussels*, ed. Daniel Naurin and Helen Wallace. Basingstoke, UK: Palgrave Macmillan pp. 81–98.
- König, Thomas and Dirk Junge. 2009. “Why Don’t Veto Players Use Their Power?” *European Union Politics* 10(4):507–534.
- König, Thomas and Lars Mäder. 2013. “Non-conformable, partial and conformable transposition: A competing risk analysis of the transposition process of directives in the EU15.” *European Union Politics* 14(1):46–69.
- Krehbiel, Keith. 1998. *Pivotal politics: a theory of U.S. lawmaking*. Chicago & London: The University of Chicago Press.
- Kreppel, Amie. 1999. “What Affects the European Parliament’s Legislative Influence? An Analysis of the Success of EP Amendments.” *Journal of Common Market Studies* 37(3):521–538.
- Kreppel, Amie and George Tsebelis. 1999. “Coalition Formation in the European Parliament.” *Comparative Political Studies* 32(8):933–966.
- Lewis, Jeffrey. 2000. “The Methods of Community in EU Decision-Making and Administrative Rivalry in the Council Infrastructure.” *Journal of European Public Policy* 7(2):261–289.
- Lewis, Jeffrey. 2003. “Institutional Environments And Everyday EU Decision Making: Rationalist or Constructivist?” *Comparative Political Studies* 36(1/2):97–124.
- Licht, Amanda A. 2011. “Change Comes with Time: Substantive Interpretation of nonproportional Hazard in Event History Analysis.” *Political Analysis* 19(2):227 – 243.
- Linou, Katerina. 2007. “How Can International Organizations Shape National Welfare States? Evidence From Compliance With European Union Directives.” *Comparative Political Studies* 40(5):547–570.
- Little, Roderick J. A. 1992. “Regression with missing X’s: a review.” *Journal of American Statistical Association* 87:1227–1237.
- Little, Roderick J. A. and Donald B. Rubin. 2002. *Statistical analysis with missing data*. Chichester: Wiley.
- Luetgert, Brooke and Tanja Dannwolf. 2009. “Mixing Methods: A Nested Analysis of EU Member State Transposition Patterns.” *European Union Politics* 10(3):307–334.
- Majone, Giandomenico. 1993. “The European Community Between Social Policy and Social Regulation.” *Journal of Common Market Studies* 31(2):153–170.
- Majone, Giandomenico. 2000. “The Credibility Crisis of Community Regulation.” *Journal of Common Market Studies* 38(2):273–302.
- March, James G. and Johan P. Olsen. 1989. *Rediscovering Institutions: The Organizational Basis of Politics*. New York: Free Press. to read.
- Mastenbroek, Ellen. 2003. “Surviving the Deadline: The Transposition of EU Directives in the Netherlands.” *European Union Politics* 4(4):371–395.

- Mattila, Mikko. 2004. "Contested decisions: Empirical analysis of voting in the European Union Council of Ministers." *European Journal of Political Research* 43(1):29–50.
- Mattila, Mikko. 2009. "Roll Call Analysis of Voting in the European Union Council of Ministers After the 2004 Enlargement." *European Journal of Political Research* 48(6):840–857.
- Mattila, Mikko and Jan-Erik Lane. 2001. "Why Unanimity in the Council? A Roll Call Analysis of Council Voting." *European Union Politics* 2(1):31–53.
- Mbaye, Heather A. D. 2001. "Why National States Comply with Supranational Law: Explaining Implementation Infringements in the European Union." *European Union Politics* 2(3, October):259–281.
- McCubbins, Mathew D., Roger G. Noll and Barry R. Weingast. 1987. "Administrative Procedures as Instruments of Political Control." *Journal of Law, Economics, and Organization* 3(2):243–277.
- Moravcsik, Andrew. 1993. "Preferences and Power in the European Community: A Liberal Intergovernmentalist Approach." *Journal of Common Market Studies* 31(4, December):473–524.
- Moravcsik, Andrew. 2002. "In Defence of the "Democratic Deficit": Reassessing the Legitimacy of the European Union." *Journal of Common Market Studies* 40(4):603–34.
- Moser, Peter. 1996. "The European Parliament as a Conditional Agenda Setter: What are the Conditions? A Critique of Tsebelis (1994)." *American Political Science Review* 90(4):834–838.
- Mühlböck, Monika. 2011. "Biased data? Deducing policy preferences from "voting" in the Council of the European Union." Paper presented at the ECPR Joint Sessions, St. Gallen.
- North, Douglass C. 1990. *Institutions, Institutional Change, and Economic Performance*. New York: Cambridge University Press.
- Nugent, Neill. 1994. *The Government and Politics of the European Union*. The European Union Series third ed. London: MacMillan.
- Olson, Mancur. 1982. *The Rise and Decline of Nations: Economic Growth, Stagflation, and Social Rigidities*. New Haven, Conn.: Yale University Press.
- Perkins, Richard and Eric Neumayer. 2007. "Do Membership Benefits Buy Regulatory Compliance? An Empirical Analysis of EU directives 1978-99." *European Union Politics* 8(2):180–206.
- Pierson, Paul. 1996. "The Path to European Integration. An Historical Institutionalist Analysis." *Comparative Political Studies* 29(2, April):123–163.
- Pierson, Paul. 2000. "Increasing Returns, Path Dependence, and the Study of Politics." *American Political Science Review* 94(2):251–267.
- Rabe-Hesketh, Sophia and Andreas Skondal. 2008. *Multilevel and Longitudinal Modeling Using Stata*. 2nd ed. Stata Press.

- Rasmussen, Anne. 2011. "Early conclusion in bicameral bargaining: Evidence from the co-decision legislative procedure of the European Union." *European Union Politics* 12(1):41 – 64.
- Rasmussen, Anne and Christine Reh. 2013. "The Consequences of Concluding Co-Decision Early: Trilogues and Intra-Institutional Bargaining Success." *Journal of European Public Policy* 20(7):1006–1024.
- Rasmussen, Anne and Dieter Toshkov. 2011. "The inter-institutional division of power and time allocation in the European Parliament." *West European Politics* 34(1):71–96.
- Reh, Christine, Adrienne Héritier, Edoardo Bressanelli and Christel Koop. 2013. "The Informal Politics of Legislation. Explaining Secluded Decision Making in the European Union." *Comparative Political Studies* 46(9):1112–1142.
- Riker, William H. 1962. *The Theory of Political Coalitions*. New Haven & London: Yale University Press.
- Riker, William H and Peter C. Ordeshook. 1968. "A theory of the Calculus of Voting." *American Political Science Review* 62(1):25–42.
- Scharpf, Fritz W. 1988. "The Joint-Decision Trap: Lessons from German Federalism and European Integration." *Public Administration* 66(Autumn):239–278.
- Scharpf, Fritz W. 1997. *Games Real Actors Play: Actor-Centered Institutionalism in Policy Research*. Boulder: Westview Press.
- Schneider, Gerald. 2008. Neither Goethe nor Bismarck: On the link between theory and empirics in Council decision-making studies. In *Unveiling the Council of the European Union: Games Governments Play in Brussels*, ed. Daniel Naurin and Helen Wallace. Basingstoke: Palgrave Macmillan pp. 277–289.
- Schneider, Gerald, Daniel Finke and Stefanie Bailer. 2010. "Bargaining Power in the European Union: An Evaluation of Competing Game-Theoretic Models." *Political Studies* 58(1):85–103.
- Schulz, Heiner and Thomas König. 2000. "Institutional Reform and Decision-Making Efficiency in the European Union." *American Journal of Political Science* 44(4, October):653–666.
- Scully, Roger. 1997. "The EP and the Co-Decision Procedure: A Reassessment." *Journal of Legislative Studies* 3(3):58–73.
- Selck, Torsten J. and Bernard Steunenberg. 2004. "Between Power and Luck: The European Parliament in the EU Legislative Process." *European Union Politics* 5(1):25–46.
- Shackleton, Michael and Tapio Raunio. 2003. "Codecision since Amsterdam: a laboratory for institutional innovation and change." *Journal of European Public Policy* 10(2):171–187.
- Shepsle, Kenneth A. 1992. "Bureaucratic Drift, Coalitional Drift, and Time Consistency: A Comment on Macey." *Journal of Law, Economics and Organization* 8(1, March):111–118.
- Shepsle, Kenneth A. and Mark S. Bonchek. 1997. *Analyzing Politics: Rationality, Behavior and Institutions*. London: W.W. Norton and Co.

- Simon, Herbert A. 1955. "A Behavioral Model of Rational Choice." *The Quarterly Journal of Economics* 69(1):99–118.
- Slapin, Jonathan B. 2014. "Measurement, model testing, and legislative influence in the European Union." *European Union Politics* xx:xx.
- Stasavage, David. 2004. "Open-Door or Closed-Door? Transparency in Domestic and International Bargaining." *International Organization* 58(4):667 – 704.
- Steunenberg, Bernard. 1994. "Decision Making under Different Institutional Arrangements: Legislation by the European Community." *Journal of Institutional and Theoretical Economics* 150(4):642–669.
- Steunenberg, Bernard. 2010. "Is big brother watching? Commission oversight in the national implementation of EU directives." *European Union Politics* 11:359–380.
- Steunenberg, Bernhard and Dimitar Toshkov. 2009. "Comparing transposition in the 27 member states of the EU: the impact of discretion and legal fit." *Journal of European Public Policy* 16(7):951–970.
- Tallberg, Jonas. 2002. "Paths to Compliance: Enforcement, Management, and the European Union." *International Organization* 56(3, Summer):609–643. *mi cita*.
- Thomson, Robert. 2009a. "Actor alignments in the European Union before and after enlargement." *European Journal of Political Research* 48(6):756 – 781.
- Thomson, Robert. 2009b. "Same effects in different worlds: the transposition of EU directives." *Journal of European Public Policy* 16(1):1:18.
- Thomson, Robert. 2010. "Opposition through the Back Door in the Transposition of EU Directives." *European Union Politics* 11(4):577–596.
- Thomson, Robert. 2011. *Resolving Controversy in the European Union: Inputs, Processes and Outputs in Legislative Decision-Making before and after Enlargement*. Cambridge: Cambridge University Press.
- Thomson, Robert and Frans N. Stokman. 2003. *Decision-Making in the European Union*. ICS Occasional Papers and Document Series. Codebook Groningen.
- Thomson, Robert, Frans N. Stokman, Christopher. H. Achen and Thomas König. 2006. *The European Union Decides*. Cambridge: Cambridge University Press.
- Thomson, Robert, Javier Arregui, Dirk Leuffen, Rory Costello, James Cross, Robin Hertz and Thomas Jensen. 2012. "A new dataset on decision-making in the European Union before and after the 2004 and 2007 enlargements." *Journal of European Public Policy* 19(4):604–622.
- Thomson, Robert, Javier Arregui and René Torenvlied. 2007. "The Paradox of Compliance: Infringements and Delays in Transposing European Union Directives." *British Journal of Political Science* 37:685–709.
- Thomson, Robert, Jovanka Boerefijn and Frans Stokman. 2004. "Actor alignments in European Union decision making." *European Journal of Political Research* 43(2):237–261.

- Thomson, Robert and René Torenvlied. 2011. "Information, Commitment and Consensus: A Comparison of Three Perspectives on Delegation in the European Union." *British Journal of Political Science* 41(1):139–159.
- Toshkov, Dimitar. 2010. "Taking stock: a review of quantitative studies of transposition and EU law." *Institute for European Integration Research: Working Paper Series*. .
- Toshkov, Dimitar and Anne Rasmussen. 2012. "Time to decide: The effect of early agreements on legislative duration in the EU." *European Integration online Papers (EIoP)* 16(11):1–20.
- Tsebelis, George. 1994. "The Power of the European Parliament as a Conditional Agenda Setter." *American Political Science Review* 88(1):128–142.
- Tsebelis, George. 1999. "Veto Players and Law Production in Parliamentary Democracies: An Empirical Analysis." *American Political Science Review* 93(3, September):591–608.
- Tsebelis, George and Geoffrey Garrett. 1996. "Agenda Setting Power, Power Indices, and Decision Making in the European Union." *International Review of Law and Economics* 16(3):345–361.
- Tsebelis, George and Geoffrey Garrett. 2000. "Legislative Politics in the European Union." *European Union Politics* 1(1):9–36.
- van Buuren, Stef, Hendrik C. Boshuizen and D.L. Knook. 1999. "Multiple imputation of missing blood pressure covariates in survival analysis." *Statistics in Medicine* 18(6):681–694.
- van Buuren, Stef and Karin Groothuis-Oudshoorn. 2011. "mice: Multivariate imputation by Chained Equations in R." *Journal of Statistical Software* 45(3):1–67.
- Warntjen, Andreas. 2012. "Measuring salience in EU legislative politics." *European Union Politics* 13(1):168–182.
- Wessels, Wolfgang. 1991. The EC Council: The Community's Decisionmaking Center. In *The New European Community: Decisionmaking and Institutional Change*, ed. Robert O. Keohane and Stanley Hoffmann. Boulder: Westview Press pp. 133–154.
- Zhang, Zhiyong and Lijuan Wang. 2012. "A note on the robustness of a full Bayesian method for non-ignorable missing data analysis." *Brazilian Journal of Probability and Statistics* 26(3):244–264.
- Zhelyazkova, Asya. 2013. "Complying with EU directives' requirements: the link between EU decision-making and the correct transposition of EU provisions." *Journal of European Public Policy* 20(5):702–721.
- Zhelyazkova, Asya and René Torenvlied. 2009. "The Time-Dependent Effect of Conflict in the Council on Delays in the Transposition of EU Directives." *European Union Politics* 10(1):35–62.
- Zimmer, Christina, Gerald Schneider and Michael Dobbins. 2005. "The Contested Council: The Conflict Dimension of an Intergovernmental Institution." *Political Studies* 53(2):403 – 422.